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SOCIALISM AS IT IS

A SURVEY OF THE WORLD-WIDE REVOLUTIONARY MOVEMENT

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BY

WILLIAM ENGLISH WALLING

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PREFACE

The only Socialism of interest to practical persons is the Socialism of the organized Socialist movement. Yet the public cannot be expected to believe what an organization says about its own character or aims. It is to be rightly understood only *through its acts.* Fortunately the Socialists' acts are articulate; every party decision of practical importance has been reached after long and earnest discussion in party congresses and press. And wherever the party's position has become of practical import to those outside the movement, it has been subjected to a destructive criticism that has forced Socialists from explanations that were sometimes imaginary or theoretical to a clear recognition and frank statement of their true position. To know and understand Socialism as it is, we must lay aside both the claims of Socialists and the attacks of their opponents and confine ourselves to the concrete activities of Socialist organizations, the grounds on which their decisions have been reached, and the reasons by which they are ultimately defended.

Writers on Socialism, as a rule, have either left their statements of the Socialist position unsupported, or have based them exclusively on Socialist authorities, Marx, Engels, and Lasalle, whose chief writings are now half a century old. The existence to-day of a well-developed movement, many-sided and world-wide, makes it possible for a writer to rely neither on his personal experience and opinion nor on the old and familiar, if still little understood, theories. I have based my account either on the acts of Socialist organizations and of parties and governments with which they are in conflict, or on those responsible declarations of representative statesmen, economists, writers, and editors which are not mere theories, but the actual material of present-day polities, — though among these living forces, it must be said, are to be found also some of the teachings of the great Socialists of the past.

It will be noticed that the numerous quotations from Socialists and others are not given academically, in support of the writer's conclusions, but with the purpose of reproducing with the greatest possible accuracy the exact views of the writer or speaker quoted. I am aware that accuracy is not to be secured by quotation alone, but depends also on the choice of the passages to be reproduced and the use made of them. I have therefore striven conscientiously to give, as far as space allows, the leading and central ideas of the persons most frequently quoted, and not their more hasty, extreme, and less representative expressions.

I have given approximately equal attention to the German, British, and American situations, considerable but somewhat less space to those of France and Australia, and only a few pages to Italy and Belgium. This allotment of space corresponds somewhat roughly to the relative importance of these countries in the international movement. As my idea has been not to describe, but to interpret, I have laid additional weight on the first five countries named, on the ground that each has developed a distinct type of labor movement. As I am concerned with national parties and labor organizations only as parts of the international movement, however, I have avoided, wherever possible, all separate treatment and all discussion of features that are to be found only in one country.

The book is divided into three parts; the first deals with the external environment out of which Socialism is growing and by which it is being shaped, the second with the internal struggles by which it is shaping and defining itself, the third with the reaction of the movement on its environment. I first differentiate Socialism from other movements that seem to resemble it either in their phrases or their programs of reform, then give an account of the movement from within, without attempting to show unity where it does not exist, or disguising the fact that some of its factions are essentially anti-Socialist rather than Socialist, and finally, show how all distinctively Socialist activities lead directly to a revolutionary outcome.

I am indebted to numerous persons, Socialists and anti-Socialists, who during the twelve years in which I have been gathering material — in nearly all the countries mentioned — have assisted me in my work. But I must make special mention of the very careful reading of the whole manuscript by Mr. J. G. Phelps Stokes, and of the numerous and vital changes made at his suggestion.

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INTRODUCTION

THE only possible definition of Socialism is the Socialist movement. Karl Marx wrote in 1875 at the time of the Gotha Convention, where the present German party was founded, that "every step of the real movement is of more importance than a dozen programs," while Wilhelm Liebknecht said, "Marx is dear to me, but the party is dearer." (1) What was this movement that the great theorist put above theory and his leading disciple valued above his master?

What Marx and Liebknecht had in mind was *a social class* which they saw springing up all over the world with common characteristics and common problems — a class which they felt must and would be organized into a movement to gain control of society. Fifty years before it had been nothing, and they had seen it in their lifetime coming to preponderate numerically in Great Britain as it was sure to preponderate in other countries; and it seemed only a question of time before the practically propertyless employees of modern industry would dominate the world and build up a new society. This class would be politically and economically organized, and when its organization and numbers were sufficient it would take governments out of the hands of the old aristocratic and plutocratic rulers and transform them into the instruments of a new civilization. This is what Marx and Liebknecht meant by the "party" and the "movement."

From the first the new class had been in conflict with employers and governments, and these struggles had been steadily growing in scope and intensity. Marx was not so much interested in the immediate objects of such conflicts as in the struggle itself. "The real fruit of their victory," he said, "lies, not in immediate results, but in the ever expanding union of the workers." (2) As the struggle evolved and became better organized, it tended more and more definitely and irresistibly towards a certain goal, whether the workers were yet aware of it or not. If, therefore, we Socialists participate in

the real struggles of politics, Marx said of himself and his associates (in 1844, at the very outset of his career), "we expose new principles to the world out of the principles of the world itself. . . . We only explain to it the real object for which it struggles." (3)

But the public still fails, in spite of the phenomenal and continued growth of the Socialist movement in all modern countries, to grasp the first principle on which it is based.

"Socialism has many phases," says a typical editorial in the *Independent*. "It is a political party, an economic creed, a religion, and a stage of history. It is world-wide, vigorous, and growing. No man can tell what its future will be. Its philosophy is being studied by the greatest minds of the world, and it deserves study because it promises a better, a safer, and a fairer life to the masses. But as yet it is only a theory, a hypothesis. It has never been tried *in toto*. . . . It has succeeded only where it has allied itself with liberal and opportunist rather than radical policies." (4)

As the Socialist movement has nowhere achieved political power, obviously it can neither claim political success or be accused of political failure. Nor does this fact leave Socialism as a mere theory, in view of its admitted and highly significant success in organizing and educating the masses in many countries and animating them with the purpose of controlling industry and government.

Mr. John Graham Brooks, in the *Atlantic Monthly*, gives us another equally typical variation of the same fundamental misunderstanding. "Never a theory of social reconstruction was spun in the gray mists of the mind," says Mr. Brooks, "that was not profoundly modified when applied to life. Socialism as a theory is already touching life at a hundred points, and among many peoples — Socialism has been a faith. It is slowly becoming scientific, in a sense and to the extent that it submits its claims to the comparative tests of experience." (5)

Undoubtedly Socialist theories have been spun both within and without the movement, and to many Socialism has been a faith. But neither faith nor theory has had much to do with the great reality that is now overshadowing all others in the public mind; namely, the existence of a Socialist movement. The Socialism of this movement has never consisted in ready-made formulas which were later subjected to "the comparative test of experience"; it has always grown out of the experience of the movement in the first instance.

Another typical article, in *Collier's Weekly*, admits that Socialism is now a movement. But as the writer, like so many others, conceives of Socialism as having been, in its inception, a "theory," a "doctrine" promoted by "Utopian dreaming," "incendiary rhetoric," an "anti-civic jargon," he naturally views it with little real sympathy and understanding even in its present form. The same Socialism that was accused of all this narrowness is suddenly and completely transformed into a movement of such breadth that it has neither a new message nor even a separate existence.

"It is merely a new offshoot of a very old faith indeed," we are now told, "the ideal of the altruistic dreamers of all ages, an awakened sense of brotherhood in men. Stripped of all its husks, Socialism stands for no other aim than that. All its other teachings, the public ownership of the land, for example, the nationalization of the means of production and distribution, the economic emancipation of woman, have only program values, as they lead to that one end. Whether, so stripped, it ceases to be Socialism and becomes merely the advance guard of the world-wide liberal movement is not, of course, a question of more than academic interest." (6)

The moment it can no longer be denied that Socialism is a movement, it is at once confused with other movements to which it is fundamentally and irreconcilably opposed. Surely this is no mere mental error, but a deep-seated and irrepressible aversion to what is to many a disagreeable truth, — the rapid growth and development, in many countries, of political parties and labor organizations more and more seriously determined to annihilate the power of private property over industry and government.

The radical misconceptions above quoted, almost universal where Socialism is still young, are by no means confined to non-Socialists. Many writers who are supposed, in some degree at least, to voice the movement, are as guilty as those who wholly repudiate it. "Mr. H. G. Wells, for instance, says that Socialism is a "system of ideas," and that "Socialism and the Socialist movement are two different things." (7) If Socialism is indeed no more than a "growing realization of constructive needs in every man's mind," and if every man is more or less a Socialist, then there is certainly no need for that antagonism to employers and property owners of which Mr. Wells complains.

Mr. Wells himself gives the true Socialist standpoint when he goes on to write that political parties must be held together

"by interests and habits, not ideas." "Every party," he continues, "stands essentially for the interests and mental usages of some definite class or group of classes in the existing community. . . . No class will abolish itself, materially alter its way or life, or drastically reconstruct itself, albeit no class is indisposed to coöperate in the unlimited socialization of any other class. In that capacity of aggression upon the other classes lies the essential driving force of modern affairs." (8)

The habits and interests of a large and growing part of the population in every modern country are developing a capacity for effective aggression against the class which controls industry and government. As this class will not socialize or abolish itself, the rest of the people, Socialists predict, will undertake the task. And the abolition of capitalism, they believe, will be a social revolution the like of which mankind has hitherto neither known nor been able to imagine.

SOCIALISM AS IT IS

PART I

"STATE SOCIALISM" AND AFTER

CHAPTER I

THE CAPITALIST REFORM PROGRAM

ONLY that statesman, writer, or sociologist has the hearing of the public to-day who can bind all his proposed reforms together into some large and far-sighted plan.

Mr. Roosevelt, in this new spirit, has spoken of the "social reorganization of the United States," while an article in one of the first numbers of *La Follette's Weekly* protested against any program of reform "which fails to deal with society as a whole, which proposes to remedy certain abuses but admits its incapacity to reach and remove the roots of the other perhaps more glaring social disorders."

Some of those who have best expressed the need of a general and complete social reorganization have done so in the name of Socialism. Mr. J. R. MacDonald, recently chairman of the British Labour Party, for example writes that the problem set up by the Socialists is that of "co-ordinating the forces making for a reconstruction of society and of giving them rational coherence and unity," (1) while the organ of the middle-class Socialists of England says that their purpose is "to compel legislators to organize industry." (2)

Indeed, the necessity and practicability of an orderly and systematic reorganization in industrial society has been the central idea of British Socialists from the beginning, while they have been its chief exponents in the international Socialist movement. But the idea is equally widespread outside of Socialist circles. It will be hard for British Socialists to lay an exclusive claim to this conception when comrades of such international prominence as Edward Bernstein, who holds the British view of Socialism, assert that Socialism itself is nothing more than "organizing Liberalism." (3)

Whether Socialists were the first to promote the new political philosophy or not, it is undeniable that the Radicals

and Liberals of Great Britain and other countries have now taken it up and are making it their own. Mr. Winston Churchill, while Chairman of the Board of Trade, and Mr. Lloyd George, Chancellor of the Exchequer, members of the British Cabinet, leaders of the Liberal Party, recognize that the movement among governments towards a conscious *reorganization of industry* is general and demands that Great Britain should keep up with other countries.

"Look at our neighbor and friendly rival, Germany," said Mr. Churchill recently. "I see that great State organized for peace and organized for war, to a degree to which we cannot pretend. . . . A more scientific, a more elaborate, a more comprehensive social organization is indispensable to our country if we are to surmount the trials and stresses which the future years will bring. It is this organization that the policy of the Budget will create." (4)

Advanced and radical reformers of the new type all over the world, those who put forward a general plan of reform and wish to go to the common roots of our social evils, demand, first of all, *reorganization.* But how is such a reorganization to be worked out? The general programs have in every country many features in common. To see what this common basis is, let us look at the generalizations of some of the leading reformers.

One of the most scientific and "constructive" is Mr. Sidney Webb. No one has so thoroughly mastered the history of trade unionism, and no one has done more to promote "municipal Socialism" in England, both in theory and in practice, for he has been one of the leaders of the energetic and progressive London County council from the beginning of the present reform period. He has also been one of the chief organizers of the more or less Socialistic Fabian Society, which has done more towards popularizing social reform in England than any other single educative force, besides sending into all the corners of the world a new and rounded theory of social reform — the work for the most part of Sidney Webb, Bernard Shaw, and a few others.

Mr. Webb has given us several excellent phrases which will aid us to sum up the typical social reformers' philosophy in a few words. He insists that what every country requires, and especially Great Britain, is to center its attention on the promotion of the "national efficiency." This refers largely

to securing a businesslike and economic administration of the existing government functions. But it requires also that *all* the industries and economic activities of the country should be considered the business of the nation, that the industrial functions of the government should be extended, and that, even from the business point of view, the chief purpose of government should be to supervise economic development.

To bring about the maximum of efficiency in production would require, in Mr. Webb's opinion and that of the overwhelming majority of reformers everywhere, a vast extension of government activities, including not only the nationalization and municipalization of many industries and services, but also that the individual workman or citizen be dealt with as the chief business asset of the nation and that wholesale public expenditures be entered into to develop his value. Mr. Webb does not think that this policy is necessarily Socialistic, for, as he very wisely remarks, "the necessary basis of society, whether the superstructure be collectivist or individualist, is the same."

Mr. Wells in his "New Worlds for Old" also claims that the new policy of having the State do everything that can promote industrial efficiency (which, unlike Mr. Webb, he persists in calling Socialism) is to the interest of the business man.

"And does the honest and capable business man stand to lose or gain by the coming of such a Socialist government?" he asks. "I submit that on the whole he stands to gain. . . .

"Under Socialist government such as is quite possible in England at the present time:—

"He will be restricted from methods of production and sale that are socially mischievous.

"He will pay higher wages.

"He will pay a large proportion of his rent-rate outgoings to the State and Municipality, and less to the landlord. Ultimately he will pay it all to the State or Municipality, and as a voter help to determine how it shall be spent, and the landlord will become a government stockholder. Practically he will get his rent returned to him in public service.

"He will speedily begin to get better-educated, better-fed, and better-trained workers, so that he will get money value for the higher wages he pays.

"He will get a regular, safe, cheap supply of power and material. He will get cheaper and more efficient internal and external transit.

"He will be under an organized scientific State, which will naturally pursue a vigorous scientific collective policy in support of the national trade.

"He will be less of an adventurer and more of a citizen." (5)

Mr. Churchill while denying any sympathy for Socialism, as both he and the majority of Socialists understand it, frankly avows himself a collectivist. "The whole tendency of civilization," he says, "is towards the multiplication of the collective functions of society. The ever growing complications of civilizations create for us new services which have to be undertaken by the State, and create for us an expansion of the existing services. There is a growing feeling, which I entirely share, against allowing those services which are in the nature of monopolies to pass into private hands. [Mr. Churchill has expressed the regret that the railways are not in the hands of the State.] There is a pretty steady determination, which I am convinced will become effective in the present Parliament to intercept *all* future unearned increment, which may arise from the increase in the speculative value of the land." (6) (Italics mine.)

Mr. Churchill's declared intention ultimately "to intercept *all* future unearned increment" of the land is certainly a tremendous step towards collectivism, as it would ultimately involve the nationalization of perhaps a third of the total wealth of society. With railways and monopolies of all kinds also in government hands, a very large part of the industrial capital of the country would be owned by the State, and, though all agricultural capital, and therefore the larger part of the total, remained in private hands, we are certainly justified in calling such a state of society *capitalist collectivism.*

But not one of the elements of this collectivism is a novelty. Railroads are owned by governments in most countries, and monopolies often are. The partial appropriation of the "unearned increment" is by no means new, since a similar policy is being adopted in Germany at the present moment, and is favored not by the radicals alone, but by the most conservative forces in the country; namely, the party of landed Prussian nobility. Count Posadovsky, a former minister, has written a pamphlet in which he urges that the State should buy up the land in and about the cities, and also that it should fix a definite limit beyond which land values must not rise. Nearly all the chief cities of Prussia,

more than a hundred, are enforcing such a tax in a moderate form, and the conservatives in the Reichstag proposed that the national government should be given a right to tax in the same field. Their bill was enacted, and, in the second half of 1911, the German government, it was estimated, would raise over $3,000,000 by this tax, and in 1912 it is expected to give $5,000,000. This tax, which is collected when land changes hands by sale or exchanges, rises gradually to 30 per cent when the increase has been 290 per cent or more. Of course this scale is likely to be still further raised and to be made more steep as the tax becomes more and more popular.

Mr. Churchill's defense of the new policy of the British government is as significant as the new laws it has enacted: —

"You may say that unearned increment of the land," he says, "is on all-fours with the profit gathered by one of those American speculators who engineer a corner in corn, or meat, or cotton, or some other vital commodity, and that *the unearned increment in land is reaped by the land monopolist in exact proportion, not to the service but to the disservice done.* It is monopoly which is the keynote; and where monopoly prevails, the greater the injury to society the greater the reward of the monopolist will be. . . .

"Every form of enterprise, every step in material progress, is only undertaken after the land monopolist has skimmed the cream off for himself, and every where to-day the man, or the public body, who wishes to put land to its highest use is forced to pay a preliminary fine in land values to the man who is putting it to an inferior use, and in some cases to no use at all. . . . *If there is a rise in wages, rents are able to move forward because the workers can afford to pay a little more.* If the opening of a new railway or a new tramway, or the institution of an improved service of workmen's trains, or the lowering of fares, or a new invention, or any other public convenience affords a benefit to the workers in any particular district, it becomes easier for them to live, and therefore the landlord and the ground landlord, one on top of the other, are able to charge them more for the privilege of living there." (Italics mine.) (7)

But we cannot believe that the government of Great Britain, which draws so much of its support from the wealthy free trade merchants and manufacturers has been persuaded to adopt this new principle so much by the argument that a land rent weighs on the working classes, though it is true that the manufacturer may have to pay for this in higher *money* wages, as it has by that other argument of Mr. Churchill's that it weighs directly on business.

"The manufacturer proposing to start a new industry," he says, "proposing to erect a great factory offering employment to thousands of hands, is made to pay such a price for his land that the purchase price hangs around the neck of his whole business, hampering his competitive power in every market, clogging far more than any foreign tariff in his export competition; and the land values strike down through the *profits of the manufacturer* on to the wages of the workman. The railway company wishing to build a new line finds that the price of land which yesterday was only rated at its agricultural value has risen to a prohibitive figure the moment it was known that the new line was projected; and either the railway is not built, or, if it is, it is built only on terms which largely transfer to the landowner *the profits which are due to shareholders* and the privileges which should have accrued to the traveling public." (My italics.) (8)

No doubt Mr. Churchill's failure to mention shippers was inadvertent.

It was a practical application of these business principles and chiefly in the interest of the employers, manufacturers, investors, and shippers, that the State decided, as a first step, to take 20 per cent of all the increase in land values from the present date and to levy an annual tax of one fifth of one per cent on all land held for speculation, *i.e.* used neither for agricultural nor for industrial nor building purposes.

The collectivist policy, that governments should undertake to reorganize industry and to develop the industrial efficiency of the population, is a relatively new one, however, and where non-Socialist Liberals and Radicals are adopting it, they do so as a rule with apologies. For while such reforms can be considered as investments which in the long run repay not only the community as a whole, but also the business interests, they involve a considerable initial cost, even beyond what can be raised by the gradual expropriation of city land rents, and the question at once arises as to who is to pay the rest of the bill. The supporter of the new reforms answers that the business interests should do so, since the development of industry, which is the object of this expenditure, is more profitable to them than to other classes. While Mr. Churchill declares that Liberalism attacks landlordism and monopoly only, and not capital itself, as Socialism does, he is at great pains to show that the cost of the elaborate program of social reform is borne not by monopolist alone, but by that larger section of the business interests vaguely known as those possessing "Special Privileges." In dis-

tributing the new taxes in the House of Commons, the question to be asked of each class of wealth is, he says, "By what process was it got?" and a distinction is to be made, not between monopoly and competitive business, but "between wealth which is the fruit of productive enterprise and industry or of individual skill, and wealth which represents the capture by individuals of socially created values." (9)

"A special burden," says Mr. Churchill, "is to be laid upon certain forms of wealth which are clearly social in their origin and have not at any point been derived from a useful or productive process on the part of their possessors." (10) And since all income "derived from dividends, rent, or interest," is, according to Mr. Churchill, unearned increment, it is evident that nearly every business, all being beneficiaries, ought to share the burden of the new reforms. (11) At the same time he hastens to reassure his wealthy supporters, especially among merchants and shippers, on grounds explained below by Mr. Lloyd George that the new taxes will not rise faster than the new profits they will bring in, that they "will not appreciably affect, have not appreciably affected, the comfort, the status, or even the style of living of any class in the United Kingdom." (12)

Mr. Lloyd George in proposing the so-called Socialistic Budget of 1910 reminded the representatives of the propertied interests [he might have added "in proportion to their wealth"] that the State, in which they all owned a share, should not be looked upon so narrowly as a capitalistic enterprise. They could afford to allow the State to wait longer for its returns.

"A State can and ought to take a longer and a wider view of its investments," said Mr. Lloyd George, "than individuals. The resettlement of deserted and impoverished parts of its own territories may not bring to its coffers a direct return which would reimburse it fully for its expenditure; but the indirect enrichment of its resources more than compensate it for any apparent and immediate loss. The individual can rarely afford to wait; a State can; the individual must judge of the success of his enterprise by the testimony given for it by his bank book; a State keeps many ledgers, not all in ink, and when we wish to judge of the advantage derived by a country from a costly experiment, we must examine all those books before we venture to pronounce judgment. . . .

"We want to do more in the way of developing the resources of our own country. . . .

"The State can help by instruction, by experiment, by organiza-

tion, by direction, and even, in certain cases which are outside the legitimate sphere of individual enterprise, by incurring direct responsibility. I doubt whether there is a great industrial country in the world which spends less money on work directly connected with the development of its resources than we do. Take, if you like, and purely as an illustration, one industry alone, — agriculture, — of all industries the most important for the permanent well-being of any land. Examine the budgets of foreign lands, — we have the advantage in other directions, — but examine and compare them with our own, and Honorable Members will be rather ashamed at the contrasts between the wise and lavish generosity of countries much poorer than ours and the short-sighted and niggardly parsimony with which we dole out small sums of money for the encouragement of agriculture in our country. . . .

"We are not getting out of the land anything like what it is capable of endowing us with. Of the enormous quantity of agricultural and dairy produce, and fruit, and the timber imported into this country, a considerable portion could be raised on our own lands." (13)

The proposed industrial advance is to be secured largely at the expense of capital, but for its ultimate profit. The capitalists are to pay the initial cost. Mr. Lloyd George is very careful to remind them that even if the present income tax were doubled, five years of the phenomenal yet steady growth of the income of the rich and well-to-do who pay this tax, would leave them as well off as they were before. He proposes to leave the total capital in private hands intact on the pretext that it is needed as "an available reserve for national emergencies." And as an evidence of this he refused to increase the existing rate of inheritance tax levied against the very largest estates (15 per cent on estates of more than £3,000,000). Though up to this point he graduated this tax more steeply than before, and nothing could be more widely popular than a special attack on such colossal estates, Mr. Lloyd George draws the line at 15 per cent, on the ground that a large part of the income from such estates goes into investments, and more confiscatory legislation might seriously affect the normal increase of the capital and "the available reserves of taxation" of the country. (14)

Mr. Lloyd George does not fail to guarantee to capital as a whole, "honest capital," that it will suffer no loss from his reforms. "I am not one of those who advocate confiscation," he said several years ago, "and at any rate as far as I am concerned *honest* capital, capital put in honest indus-

tries for the development of the industry, the trade, the commerce, of this country will have nothing to fear from any proposal I shall ever be responsible for submitting to the Parliament of this realm." (My italics.) (15)

Mr. Lloyd George is well justified, then, in ridiculing the idea that he is waging war against industry or property or trying to destroy riches. He not only disproves this accusation by pointing to the capitalist character of his collectivist program, but boasts that the richest men in the House of Commons are on the Liberal side, together with hundreds of thousands of the men who are building up trade and business.

And the attitude of the Radicals of the present British government is the same as that of capitalist collectivists elsewhere. However certain vested interests may suffer, there is nowhere any tendency to weaken capitalism as a whole. Capitalism is to be the chief beneficiary of the new movement.

There are many differences of opinion, however, as to the *ultimate* effect of the collectivist program. In Great Britain, which gives us our best illustration, there are Liberals who claim that it is Socialistic and others who deny that it has anything to do with Socialism; Conservatives who accept part of the program, and others who reject the whole as being Socialistic; Socialists, who claim that their ideas have been incorporated in the last two Budgets, and other Socialists who deny that either had anything in common with their principles.

While it is certain that the present policy of the British government is by no means directed against the power or interests of the capitalist class as a whole, and in no way resembles that of the Socialists, were not Socialist arguments used to support the government's position, and may not these lead towards a Socialist policy?

Certainly some of the principles laid down seem at first sight to have been Socialistic enough. For example, when Mr. Churchill said that incomes from dividends, rent, and interest are unearned, or when Mr. Lloyd George cried out: "Who is responsible for the scheme of things whereby one man is engaged through life in grinding labor to win a bare and precarious subsistence for himself, and when, at the end of his days, he claims at the hands of the community he served, a poor pension of eight pence a day, he can only get it through a revolution, and another man who does not

toil receives every hour of the day, every hour of the night, whilst he slumbers, more than his poor neighbor receives in a whole year of toil? Where did the table of that law come from? Whose fingers inscribed it?" (16)

Lord Rosebery has pointed to the extremely radical nature of Mr. Lloyd George's arguments. The representatives of the Government had urged, he said, that the land should be taxed without mercy: —

"(1) because its existence is not due to the owner;

"(2) because it is limited in quantity;

"(3) because it owes nothing of its value to anything the owner does or spends;

"(4) because it is absolutely necessary for existence and production." (17)

Lord Rosebery says, justly, that all these propositions except the last apply to many other forms of property than land, as, for instance, to government bonds, and that it certainly would be Socialism to attempt to confiscate these by taxation.

Lord Rosebery's task would have become even easier later, when Mr. Lloyd George enlarged his attack on the landlords definitely into an attack against the idle upper classes, who with their dependents he reckoned at two million persons. He accused this class of constituting an intolerable burden on the community, said that its existence was the symptom of the disease of society, and that only bold remedies could help. The whole class of inactive capitalists he viewed as a load both on the noncapitalist, wage-earning, salaried and professional classes, and on the active capitalists. Mr. Lloyd George argues with his capitalist supporters that capitalism will be all the stronger when freed from its parasites. But Lord Rosebery could answer that the active could no more be distinguished from the passive capitalists than land-owners from bondholders.

An article in the world's leading Socialist newspaper, *Vorwaerts*, of Berlin, shows that many Socialists even regarded these speeches as revolutionary: —

"The Radical wing of the British Liberals," it said, "is leading the attack with ideal recklessness and lust of battle. It is conducting the agitation in language which in Germany is customarily used only by a 'red revolutionist.' If the German Junker (landlord conservative) were to read these speeches, he would swear that they were delivered by the Social Democrats of the reddest dye, so fero-

ciously do they contrast between the rich and the poor. They appeal to the passion of the people; they exploit social distinctions in the manner best calculated to fire popular anger against the Lords.

"In the heart of battle the Liberals are employing language which at other times they would have considered twice. Their words will some day be assuredly turned against them, when more than the mere Budget or the existence of the Lords is at stake. When the Liberals, allied with the conservative enemy of to-day, are fighting the working classes, the Socialists will recall this language as proof that the Liberals themselves recognize the injustice of the existing order.

"Mr. Lloyd George made such a speech at Newcastle that the seeds he is planting may first bring forth Liberal fruit, but there can be no doubt that Socialism will eventually reap the harvest. His arguments must arouse the workingmen, and when they have accustomed themselves to look at things from this standpoint it is certain that once standing before the safes of the industrial capitalists they will never close their eyes."

It is perhaps true that the Socialists will at some future day reap the harvest from Mr. Lloyd George's and Mr. Churchill's campaigns, though a careful analysis of the expressions of these statesmen will show that they have said nothing and done nothing in contradiction to their State-capitalistic or "State Socialist" standpoint.

There is no doubt that the principle of the new taxes and the new expenditure these statesmen are introducing is radical, and that it marks a great stride towards a collectivist form of capitalism. Let us assume that development continues along the lines of their present policies. In a very few years the increased expenditure on social reform will be greater than the increased expenditure on army and navy, and the increase of direct and graduated taxes that fall on the upper classes will be greater than that of the indirect taxes that fall on the masses. We will assume even that military expenditure and indirect taxes on articles the working people consume will begin some day to decrease, while graduated taxes directed against the very wealthy and social reform expenditures rise until they quite overshadow them. There is every reason to believe that the social reformers of the British and other governments hope for such an outcome and expect it. This would be in no way inconsistent with their policy of subordinating everything, to use one of their expressions, to "that trade and commerce which constitutes the source of our wealth."

For the collectivist expenditures, intended to increase the national product through governmental enterprises for the promotion of industry, and for raising the industrial efficiency of the workers, would be introduced gradually, and would soon be accompanied by results which would show that they paid financially. And finally, even if railways and monopolies were nationalized and their profits as well as *all* the future rise in land value went to the State to be used for these purposes, as Mr. Churchill hopes, and even if a method could be found by which a large part of the income of the idle rich would be confiscated without touching the active capital of the merchant and manufacturer, the position of the latter classes, through this policy, might become still more superior relatively to that of the masses than it is at present. The industrial capitalists might even control a larger share of the national income and exercise a still more powerful influence over the State than they do to-day.

The classes that the more or less collectivist budgets of 1910 and 1911 actually do favor, those whose economic and political power they actually do increase, are the small and middle-sized capitalists and even the larger capitalists other than landlords and monopolists. The great mass of income taxpayers, business men, farmers, and the professional classes with incomes from about £200 to £3000 ($1000 to $15,000) are given every encouragement, while those with somewhat larger incomes are only slightly discriminated against on the surface, in the incidence of the taxes, and not at all when we inquire into the ways in which the taxes are being expended. Certainly nothing is being done that will "appreciably affect the status or style of living of any class in the United Kingdom," or that will check materially the enormous rise of this "upper middle" class both in wealth and numbers — for the income tax payers have doubled their income in a little more than a decade, until it has reached the total of more than a billion pounds a year. And surely no tendency could be more diametrically opposed to a Socialism whose purpose it is to improve the *relative* position of the "lower middle" and working classes.

While the new reform programs of the various parties are in general agreement in all countries, in that they are all collectivist, and favor as a rule the same social classes, there is much controversy as to names, whether they shall be called Socialistic or merely radical or progressive. The question is really immaterial.

"Capital, divested of its perversions, would be natural Socialism," says one of Henry George's most prominent disciples. (18) Whether the proposed reforming is done with a purified and strengthened capitalism in view, or in the name of "natural Socialism" or "State Socialism," the program itself is in every practical aspect the same.

If a contrast formerly appeared to exist between "Individualist" and "State Socialist" reformers, it was never more than a contrast in theory, quickly dispelled when the time for action arrived. The individualist radical would have the State do as little as possible, but still is compelled to resort to an increase of its powers at every turn; the "State Socialist" would have the State do as much as practicable, but would still retain State action within the rigid limits imposed by the need of gaining capitalist support and the desire for immediate political success. In economic policy the Individualist is for checking the excess of monopoly and special privilege in order to allow "equal opportunity" or a free development to whatever competition or "natural Capitalism" remains, while the "State Socialist" is more concerned with protecting and promoting the natural checking of the excesses of competitive capitalism and private property that comes with "natural monopoly" and its regulation by government. The "State Socialist," however critical he is towards competition, recognizes that the first practical possibility of putting an end to its excesses comes when monopoly is already established, and when it is relatively easy for the State to step in to nationalize or municipalize; the Individualist reformer who wishes to preserve competition where practicable, at the same time recognizes that it is impossible to do so where monopolies have become firmly rooted in certain industries, and he also at this point proposes nationalization, municipalization, or thoroughgoing governmental control.

Henry George himself recognizes that "State Socialism," which he called simply "Socialism," and the "natural Capitalism" he advocated, far from being contradictory, were complementary and interdependent. Mr. Louis Post says: —

"Even in the economic chapters of 'Progress and Poverty' its author saw the possibility of society's approaching the 'ideal of Jeffersonian Democracy, the promised land of Herbert Spencer, the abolition of government. But of government only as a directing and repressive power.' At the same time and in the same degree of approach, he regarded it as possible for society also to realize the dream of Socialism." (19)

The following passage leaves no doubt that Mr. Post is correct, and at the same time shows in the clearest way how the two policies of reform were interwoven in Henry George's mind: —

"Government could take up itself the transmission of messages by telegraph, as well as by mail, of building and operating railroads, as well as of the opening and maintaining common roads. With the present functions so simplified and reduced, functions such as these could be assumed without danger or strain, and would be under the supervision of public attention, which is now distracted. There would be a great and increasing surplus revenue from the taxation of land values for material progress, which would go on with great accelerated rapidity, would tend constantly to increase rent. This revenue arising from the common property would be applied to the common benefit, as were the revenues of Sparta. We might not establish public tables — they would be unnecessary, but we could establish public baths, museums, libraries, gardens, lecture rooms, music and dancing halls, theaters, universities, technical schools, shooting galleries, playgrounds, gymnasiums, etc. Heat, light, and motive power, as well as water, might be conducted through our streets at public expense; our roads be lined with fruit trees; discoveries and inventors rewarded, scientific investigation supported; in a thousand ways the public revenues made to foster efforts for the public benefit. *We should reach the ideal of the Socialist*, but not through government repression. *Government would change its character, and would become the administration of a great coöperative society. It would become merely the agency by which the common property was administered for the common benefit.*" (Italics mine.) (20)

But the "State Socialist" and the Individualist reformer, who are often combined in one person, as in the case of Henry George, differ sharply from Socialists of the Socialist movement in aiming at a society, which, however widely government action is to be extended, is after all to remain a society of small capitalists.

Professor Edward A. Ross very aptly sums up the reformer's objections to the anti-capitalist Socialists. Capitalism must be "divested of its perversions," the privately owned monopolies and their political machines, primarily for the purpose of strengthening it *against* Socialism. "Individualism should make haste to clean the hull of the old ship for the coming great battle with the opponents of private capital . . . " The reformers, as a rule, like Professor Ross, consciously stand for a new form of private capitalism, to be built up with the aid of the State. This is the avowed

attitude of the larger part of the "progressives," "radicals," and "insurgents" of the day.

The new reform programs, however radical, are aimed at regenerating capitalism. The most radical of all, that of the single taxers, who plan not only that the state shall be the sole landlord, but that the railways and the mines shall be nationalized and other public utilities municipalized, do not deny that they want to put a new life into private capitalism, and to stimulate commercial competition in the remaining fields of industry. Mr. Frederick C. Howe, for instance, predicts a revival of capitalistic enterprise, after these measures are enacted, and even looks forward to the indefinite continuation of the struggle between capital and labor. (22)

CHAPTER II

THE NEW CAPITALISM

President Taft says that if we cannot restore competition, "we must proceed to State Socialism and vest the government with power to control every business." As competition cannot be revived in industries that have been reorganized on a monopolistic basis, this is an admission that, in such industries, there is no alternative to "State Socialism."

The smaller capitalists and business interests have not yet reconciled themselves, any more than President Taft, to what the Supreme Court, in the Standard Oil Case, called "the inevitable operation of economic forces," and are just beginning to see that the only way to protect the industries that remain on the competitive basis is to have the government take charge of those that have already been monopolized. But the situation in Panama and Alaska and the growing control over railroads and banks show that the United States is being swept along in the world-wide tide towards collectivism, and innumerable symptoms of change in public opinion indicate that within a few years the smaller capitalists of the United States, like those of Germany and Great Britain, will be working with the economic forces instead of trying to work against them. Monopolies, they are beginning to see, cannot be destroyed by private competition, even when it is encouraged by the legislation and the courts, and must be controlled by the government. But government regulation is no lasting condition. If investors and consumers are to be protected, wage earners will most certainly be protected also — as Mr. Roosevelt advocates. And from government control of wages, prices, and securities it is not a long step to government ownership.

The actual disappearance of competition and the growing harmony of all the business interests among themselves are removing every motive for continued opposition to some form of State control, — and even the more far-sighted of the "Captains of Industry," like Judge Gary of the Steel Cor-

poration and many others, are beginning to see how the new policy and their own plans can be made to harmonize. The "Interests" have only recently become sufficiently united, however, to make a common political effort, and it is only after mature deliberation that the more statesmanlike of the capitalists are beginning to feel confident that they have found a political plan that will succeed. As long as the business world was itself fundamentally divided, small capitalists against large, one industry against the other, and even one establishment against another in the same industry, it was impossible for the capitalists to secure any united control over the government. The lack of organization, the presence of competition at every point, made it impossible that they should agree upon anything but a negative political policy.

But now that business is gradually becoming politically as well as economically unified, government ownership and the other projects of "State Socialism" are no longer opposed on the ground that they must necessarily prove unprofitable to capital. If their introduction is delayed, it is at the bottom because they will require an enormous investment, and other employments of capital are still more immediately profitable. Machinery, land, and other material factors still demand enormous outlays and give *immediate* returns, while investments in reforestation or in the improvement of laborers, for example, only bring their maximum returns after a full generation. But the semi-monopolistic capitalism of to-day is far richer than was its competitive predecessor. It can now afford to date a part of its expected returns many years ahead. Already railroads have done this in building some of their extensions. Nations have often done it, as in building a Panama Canal. And as capitalism becomes further organized and gives more attention to government, and the State takes up such functions as the capitalists direct, they will double and multiply many fold their long-term governmental investments — in the form of expenditures for industrial activities and social reforms.

Already leading capitalists in this country as well as elsewhere welcome the extension of government into the business field. The control of the railroads by a special court over which the railroads have a large influence proves to be just what the railroads have wanted, while there is a growing belief among them, to which their directors and officers occasionally

give expression, that the day may come, perhaps with the competition of the Panama Canal, when it will be profitable to sell out to the government — at a good, round figure, of course, such as was recently paid for railroads in France and Italy. Similarly the new wireless systems are leading to a capitalistic demand for government purchase of the old telegraph systems.

Mr. George W. Perkins, recently partner of Mr. J. P. Morgan, foreshadows the new policy in another form when he advocates a Supreme Court of Business (as a preventive of Socialism): —

"Federal legislation is feasible, and if we unite the work for it now we may be able to secure it; whereas, if we continue to fight against it much longer, the incoming time may sweep the question along either to government ownership or to Socialism [Mr. Perkins recognizes that they are two different things].

"I have long believed that we should have at Washington a business court, to which our great problems would go for final adjustment when they could not be settled otherwise. We now have at Washington a Supreme Court, composed, of course, of lawyers only, and it is the dream of every young man who enters law that he may some day be called to the Supreme Court bench. Why not have a similar goal for our business men? Why not have a court for business questions, on which no man could sit who has not had a business training with an honorable record? *The supervision* of business by such a body of men, *who had* reached such a court in such a way, would unquestionably *be fair and equitable to business*, fair and equitable to the public." (Italics mine.)

Mr. Roosevelt and Senator Root are similarly inspired by the quasi-partnership that exists between the government and business in those countries where prices and wages in certain monopolized industries are regulated for the general good of the business interests. In the words of Mr. Root: —

"Germany, to a considerable extent, requires combination of her manufacturers, producers, and commercial concerns. Japan also practically does this. But in the United States it cannot be done under government leadership, because the people do not conceive it to be the government's function. It seems to be rather that the government is largely taken up with breaking up organizations, and that reduces the industrial efficiency of the country." (My italics.)

As the great interests become "integrated," *i.e.* more and more interrelated and interdependent, the good of one be-

comes the good of all, and the policy of utilizing and controlling, instead of opposing the new industrial activities of the government, is bound to become general. The enlightened element among the capitalists, composed of those who desire a partnership rather than warfare with the government, will soon represent the larger part of the business world.

Mr. Lincoln Steffens reflects the views of many, however, when he denies that the financial magnates are as yet guided by this "enlightened selfishness," and says that they are only just becoming "class-conscious," and it is true that they have not yet worked out any elaborate policy of social reform or government ownership. None but the most powerful are yet able, even in their minds, to make the necessary sacrifices of the capitalism of the present for that of the future. The majority (as he says) still "undermine the law" instead of more firmly intrenching themselves in the government, and "corrupt the State" instead of installing friendly reform administrations; they still "employ little children, and so exhaust them that they are poor producers when they grow up," instead of making them strong and healthy and teaching them skill at their trades; they still "don't want all the money they make, don't care for things they buy, and don't all appreciate the power they possess and bestow." But all these are passing characteristics. If it took less than twenty years to build up the corporations until the present community of interests almost forms a trust of trusts, how long, we may ask, will it take the new magnates to learn to "appreciate" their power? How long will it take them to learn to enter into partnership with the government instead of corrupting it from without, and to see that, if they don't want to increase the wages and buying power of the workers, "who, as consumers, are the market," the evident and easy alternative is to learn new ways of spending their own surplus? The example of the Astors and the Vanderbilts on the one hand, and Mr. Rockefeller's Benevolent Trust, on the other, show that these ways are infinitely varied and easily learned. Will it take the capitalists longer to learn to use the government for their purposes rather than to abuse it?

It is neither necessary nor desirable, from the standpoint of an enlightened capitalism, that the control of government should rest entirely in the hands of "Big Business," or the "Interests." On the contrary, it is to the interest of capital that all capitalists, and all business interests of any perma-

nence, should be given consideration, no matter how small they may be. The smaller interests have often acted with "Big Business," — under its leadership, but as industrial activities and destinies are more and more transferred to the political field, the smaller capitalist becomes rather a junior partner than a mere follower. Consolidation and industrial panics have taught him his lesson, and he is at last beginning to organize and to demand his share of profits at the only point where he has a chance to get it, *i.e.* through the new "State Socialism." Moreover, he is going to have a large measure of success, as the political situation in this country and the actual experience of other countries show. And in proportion as the relations between large and small business become more cordial and better organized, they may launch this government, within a few years, into the capitalist undertakings so far-reaching and many-sided that the half billion expended on the Panama Canal will be forgotten as the small beginning of the new movement.

It is true that for the moment the stupendous wealth and power of the "Large Interests," already more or less consolidated, threaten to overwhelm the rest. Mr. Steffens does not overstate when he says: —

"To state correctly in billions of dollars the actual value of all the property represented in this community of interests, might startle the imagination to some sense of the magnitude of the wealth of these men. But money is no true measure of power. The total capitalization of all they own would not bring home to us the influence of Morgan and his associates, direct and indirect, honest and corrupt, over presidents and Congresses; governors and legislators; in both political parties and over our political powers. And no figures would remind us of their standing at the bar and in the courts; with the press, the pulpit, the colleges, schools, and in society. And even if all their property and all their power could be stated in exact terms, it would not show their *relative* wealth and strength. We must not ask how much they have. *We must ask how much they haven't got.*" (1)

But over against this economic power the small capitalists, farmers, shopkeepers, landlords, and small business men, have a political power that is equally overwhelming. Until the "trusts" came into being, no issue united this enormous mass. Yet they are still capitalists, and what they want, except the few who still dream of competing with the "trusts," is not to annihilate the latter's power, but to share it. The

"trusts," on the other hand, are seeing that common action with the small capitalists, costly as it may be economically, may be made to pay enormously on the political field by putting into the hands of their united forces all the powers of governments.

If the principle of economic union and consolidation has made the great capitalists so strong, what will be the result of this political union of all capitalists? How much greater will be their power over government, courts, politics, the press, the pulpit, and the schools and colleges!

It is not the "trusts" that society has to fear, nor the consolidation of the "trusts," but the organized action of *all* "Interests," of "Big Business" *and* "Small Business," that is, of *Capitalism.*

A moment's examination will show that there is every reason to expect this outcome. Broadly considered, there is no such disparity between large capitalists and small, either in wealth and power, as at first appears. All the accounts of the tendency towards monopoly have been written, not in the name of non-capitalists, but in that of small capitalists. Otherwise we might see that these two forces, interwoven in interest at nearly every point, are also well matched and likely to remain so. And we should see also that it is inconceivable that they will long escape the law of social evolution, stronger than ever to-day, toward organization, integration, consolidation.

Messrs. Moody and Turner, for example, finished a well-weighed study of the general tendencies of large capital in this country with the following conclusion: —

> "Through all these channels and hundreds more, the central machine of capital extends its control over the United States. It is not definitely organized in any way. But common interest makes it one great unit — the 'System,' so called.
>
> "It sits in Wall Street, a central power, directing the inevitable drift of great industry toward monopoly. And as the industries one after another come into it for control, it divides the wealth created by them. To the producer, steady conditions of labor; to the investor, stable securities, sure of paying interest; to the maker of monopolies and their allies, *the increment of wealth of the continent, and with it the gathering control of all mechanical industry.*" (2) (My italics.)

Certainly the fundamental social questions in any country at any time are: Who gets the increment of wealth? Who

controls industry? No objection can be taken to the facts or reasoning of this and some of the other studies of the "trusts" — *as far as they go.* What vitiates not only their conclusions, but the whole work, is that written from the standpoint of the small capitalists, they forget that the "trusts" are only part of a larger whole.

The increment of wealth that has gone to large capital in this country in the census period 1900–1910 is certainly less than what has gone to small capital. Farm lands and buildings have increased in value by $18,000,000,000, while the increased wealth in farm animals, crops, and machinery will bring the total far above $20,000,000,000. The increase in city lands and houses other than owned homes, which has not been less than that of the country in recent years, must be reckoned at many billions, and these, like the farm lands, are only to a small degree in the hands of the "Trusts." Even allowing for the more modest insurance policies, and savings bank accounts, as belonging in part to non-capitalists, small capitalists have piled up many new billions within the same decade, in the form of bank deposits, good-sized investments in insurance companies, in government, municipal, and railway bonds, bank stock, and other securities. No doubt the chief owners of the banks, railways, and "trusts" have increased their wealth by several billions within the same period, but this is only a fraction of the increased wealth of the smaller capitalists. It is not true, then, that "the increment of wealth of the continent" has gone to — "the makers of monopolies and their allies."

Let us now examine the question of *the control of industry* from this broader standpoint. It is admitted that the direct control of the "Interests" extends only over "mechanical industry" — not over agriculture. We have seen that it does not extend over the mine of wealth that lies in city lands, nor over large masses of capital more and more adequately protected by the government. It might be said that by their strategic position in industry the large capitalists control indirectly both agriculture, city growth, savings banks and government. This would be true were it not for the fact that as soon as we turn from the economic to the political field we find that not only in this country, but also in Europe nearly all the strategical positions are held by the small capitalists. They outnumber the large capitalists and their retainers ten to one, and they hold *the political balance*

of power between these and the propertyless classes. The control of industry and the control of government being in the long run one and the same, the only course left to the large capitalists is to compromise with the small, and the common organization of centralized and decentralized capital with the aid and protection of government is assured.

The fact that, for the masses of mankind, capitalism is the enemy, and not "Big Business," is then obscured by the warfare of the small capitalists against the large. Perhaps nowhere in the world and at no time in history has this conflict taken on a more definite or acute form than it has recently in this country. So intense is the campaign of the smaller interests, and it is being fought along such broad lines that it often seems to be directed against capitalism itself. The masses of the people, even of the working classes, in America and Great Britain have yet no conception of the real war against capitalism, as carried on by the Socialists of Continental Europe, and it seems to them that this new small capitalist radicalism amounts practically to the same thing.

The "Insurgents," it is true, differ fundamentally from the Populists of ten and twenty years ago, in so far they understand fully that in many fields competition cannot be restored, that the large corporations cannot be dissolved into small ones and must be regulated or owned by the government, because they have deserted the Jeffersonian maxim that "that government is best that governs least."

"With the growing complexity of our social and business relations," says *La Follette's Weekly*, "a great extension of governmental functions has been necessary. The authority of State and nation reaches out in numberless and hitherto unknown forms affecting and regulating our daily lives, our occupations, our earning power, and our cost of living. The need for this intervention, for collective action by the people through their duly constituted government, to preserve and promote their own welfare, is a need that is growing more and more important and imperative to meet the rapidly growing power of commerce, industry and finance, centralized and organized in the hands of a few men."

This is nothing more nor less than the creed of capitalist collectivism. The analysis of the present political situation of the Insurgents is not only collectivist, but, in a sense, revolutionary. After describing how "Big Business," controls both industry and politics, La Follette says: —

"This thing has gone on and on in city, State, and nation, until to-day the paramount power in our land is not a Democracy, not a Republic, but an Autocracy of centralized, systemized, industrial and financial power. 'Government of the people, by the people, and for the people' *has* perished from the earth in the United States of America."

An editorial in *McClure's Magazine* (July, 1911) draws a similar picture and frankly applies the term, "State Socialism," to the great reforms that are pending: —

"Two great social organizations now confront each other in the United States — political democracy and the corporation. Both are yet new, — developments, in their present form, of the past two hundred years, — and the laws of neither are understood. The entire social and economic history of the world is now shaping itself around the struggle for dominance between them. . . .

"The problem presented by this situation is the most difficult that any modern nation has faced; and the odds, up to the present time, have all been with the corporations. Property settles by economic law in strong hands; it has unlimited rewards for service, and the greatest power in the world — the power of food and drink, life and death — over mankind. Corporate property in the last twenty years has been welded into an instrument of almost infinite power, concentrated in the hands of a very few and very able men.

"Sooner or later the so far unchecked tendency toward monopoly in the United States must be met squarely by the American people. . . .

"The problem of the relation of the State and the corporation is now the chief question of the world. In Europe the State is relatively much stronger; in America, the corporation. In Europe the movement towards Socialism — collective ownership and operation of the machinery of industry and transportation — is far on its way; in America we are moving to control the corporation by political instruments, such as State Boards and the Interstate Commerce Commission. . . .

"And if corporate centralization of power continues unchecked, what is the next great popular agitation to be in this country? For State Socialism?"

When a treaty of peace is made between "Big Business" and the smaller capitalists under such leadership as La Follette's, we may be certain that it will not amount merely to a swallowing up of the small fish by the large. The struggle waged according to La Follette's principles is not a mere bid for political power and the spoils of office, but a real political warfare that can only end by recognition of the small

capitalist's claims in business and politics — in so far as they relate, not to the restoration of competition, but to government ownership or control. As early as 1905, when governor of Wisconsin, La Follette said: —

"It must always be borne in mind that the contest between the State and the corporate powers is a lasting one. . . . It must always be remembered that their attitude throughout is one of hostility to this legislation, and that if their relation to the law after it is enacted is to be judged by the attitude towards the Interstate Commerce Law, it will be one of continued effort to destroy its efficiency and nullify its provision." Events have shown that he was right in his predictions, and his idea that the war against monopolies must last until they are deprived of their dominant position in politics is now widely accepted.

The leading demands of the small capitalists, in so far as they are independently organized in this new movement, are now for protection, as buyers, sellers, investors, borrowers, and taxpayers against the "trusts," railways, and banks. Formerly they invariably took up the cause of the capitalist competitors and would-be competitors of the "Interests" — and millionaires and corporations of the second magnitude were lined up politically with the small capitalists, as, for example, silver mine owners, manufacturers who wanted free raw material, cheaper food (with lower wages), and foreign markets at any price, — from pseudo-reciprocity to war, — importing merchants, competitors of the trusts, tobacco, beer, and liquor interests bent on decreasing their taxes, etc.

The great novelty of the "Insurgent" movement is that, in dissociating itself from Free Silver, Free Trade, and the proposal to *destroy* the "trusts," it has succeeded in getting rid of nearly all the "Interests" that have wrecked previous small capitalist movements. At the same time, it has all but abandoned the old demagogic talk about representing the citizen as consumer against the citizen as producer. It frankly avows its intention to protect the ultimate consumer, not against small capitalist producers (*e.g.* its opposition to Canadian reciprocity and cheaper food), but solely against the monopolies. Indeed, the protection of the ultimate consumer against monopolies is clearly made incidental to the protection of the small capitalist consumer-producer. The wage earner consumes few products of the Steel Trust, the farmer and small manufacturers, many. Nor does the new

movement propose to destroy the "trusts" by free trade even in the articles they produce, but merely to control prices by lower tariffs. With the abandonment of the last of the "Interests" and at the same time of the "consumers" that they use as a cloak, the new movement promises for the first time a fairly independent and lasting political organization of the smaller capitalists.

While Senator La Follette is the leading general of the new movement, either Ex-President Roosevelt or Governor Woodrow Wilson seems destined to become its leading diplomatist. While Senator La Follette declares for a fight to the finish, and shows that he knows how to lead and organize such a fight, Mr. Roosevelt and Mr. Wilson are giving their attention largely to peace terms to be demanded of the enemy, and the diplomatic attitude to be assumed in the negotiations. Perhaps it is too early for such peaceful thoughts, and premature talk of this kind may eliminate these leaders as negotiators satisfactory to the small capitalists. Their interest for my present purpose is that they probably foreshadow the attitude that will finally be assumed when the large "Interests" see that they must make terms.

Mr. Wilson's language is at times so conciliatory as to create doubt whether or not he will stand with Senator La Follette and the Republican "Insurgents" for the whole of the small capitalist's program, but it leaves no doubt that, if he lives up to his declared principles, he must aim at the government regulation, not of "Big Business" merely, but of all business — as when he says that "business is no longer in any sense a private matter."

"We are dealing, in our present discussion," he said in an address, delivered in December, 1910, "with business, and we are dealing with life as an organic whole, and modern politics is an accommodation of these two. Suppose we define business as economic *service of society for private profit*, and suppose we define politics as the accommodation of all social forces, the forces of *business, of course, included*, to the common interest." (My italics.)

It is evident that if the community gains by an extended control over business, that business gains at least as much by its claim to be recognized as a *public service*. And this Mr. Wilson makes very emphatic: —

"Business must be looked upon, not as the exploitation of society, not as its use for private ends, but as its sober service; and private

profit must be regarded as legitimate only when it is in fact a reward for what is veritably serviceable, — serviceable to interests which are not single but common, as far as they go; and politics must be the discovery of this common interest, in order that the service may be tested and exacted.

"In this acceptation, society is the *senior partner* in all business. It first must be considered, — society as a whole, in its permanent and essential, not merely in its temporary and superficial, interests. *If private profits are to be legitimatized, private fortunes made honorable,* these great forces which play upon the modern field must, both individually and collectively, be accommodated to a common purpose." (My italics.)

Business is no longer "to be looked upon" as the exploitation of society, private profits are to be "legitimatized" and private fortunes "made honorable" — in a word, the whole business world is to be regenerated and at the same time rehabilitated. This is to be accomplished, as Mr. Wilson explained, in a later speech (April 13, 1911), not by excluding the large capitalists from government, but by including the small, and this will undoubtedly be the final outcome. He said: —

"The men who understand the life of the country are the men *who are on the make,* and not the men who are made; because the men who are on the make are in contact with the actual conditions of struggle, and those are the conditions of life for the nation; whereas, the man who has achieved, who is at the head of a great body of capital, has passed the period of struggle. He may sympathize with the struggling men, but he is not one of them, and only those who struggle can comprehend what the struggle is. I would rather take the interpretation of our national life from the general body of the people than from those who have made conspicuous successes of their lives."

But the "Interests" are not to be excluded from the new dispensation.

"I know a great many men," Mr. Wilson says further, "whose names stand as synonyms of the unjust power of wealth and of corporate privileges in this country, and I want to say to you that if I understand the character of these men, many of them — most of them — are just as *honest* and just as patriotic as I claim to be. But I do notice this difference between myself and them; I have not happened to be immersed in the kind of business in which they have been immersed; I have not been saturated by the prepossessions which come upon men situated as they are, and I claim to see some things that they do not yet see; that is the difference. *It is not a*

difference of interest; it is not a difference of capacity; it is not a difference of patriotism. It is a difference of perception. . . .

"Now, these men have so buried their minds in these great undertakings that you cannot expect them to have reasonable and rational views about the antipodes. They are just as much chained to a task, as if the task were little instead of big. Their view is just as much limited as if their business were small instead of colossal. *But they are awakening.* They are not all of them asleep, and when they do wake, they are going to lend us the assistance of truly statesmanlike minds.

"We are not fighting property," Mr. Wilson continues, "but the wrong conception of property. It seems to me that business on the great scale upon which it is now conducted is the service of the community, and the profit is legitimate only in proportion as the service is genuine. I utterly deny the genuineness of any profit which is gathered together without regard to the serviceability of the thing done. . . . Men have got to learn that in a certain sense, *when they manage great corporations, they have assumed public office,* and are responsible to the community for the things they do. *That is the form of privilege that we are fighting.*" (Italics mine.) (3)

A second glance at these passages will show that Mr. Wilson speaks in the name rather of struggling small capitalists, business men "on the make," than of the nation as a whole. His diplomacy is largely aimed to move the "honest" large capitalists. These are assured that the only form of privilege that Mr. Wilson, representing the smaller business men, those "on the make," is attacking, is their freedom from political and government control. But the large capitalists need not fear such control, for they are assured that they themselves will be part of the new government. And as there is no fundamental "difference of interests," the new government will have no difficulty in representing large business as well as small.

No better example could be found of the foreshadowed treaty between the large interests and the whole body of capitalists, and their coming consolidation, than the central banking association project now before Congress. Originated by the "Interests" it was again and again moderated to avoid the hostility of the smaller capitalists, until progressives like Mr. Wilson are evidently getting ready to propose still further modifications that will make it entirely acceptable to the latter class. Already Mr. Aldrich has consented that the "State" banks, which represent chiefly the smaller capitalists, should be included in the Reserve Association, and that the

President should appoint its governor and deputy governor. Doubtless Congress will insist on a still greater representation of the government on the central board.

Mr. Wilson emphasizes the need of action in this direction in the name of "economic freedom," which can only mean equal financial facilities and the indirect loan of the government's credit to all capitalists, through means of a government under their common control: —

"The great monopoly in this country is the money monopoly. So long as that exists, our old variety and freedom and individual energy of development are out of the question. A great industrial nation is controlled by its system of credit. Our system of credit is concentrated. *The growth of the nation, therefore, and all our activities are in the hands of a few men* who, even if their action be honest and intended for the public interest, are necessarily concentrated upon the great undertakings in which their own money is involved, and who necessarily by every reason of their own limitations, chill and check and destroy genuine economic freedom. This is the greatest question of all, and to this statesmen must address themselves with an earnest determination to serve the long future and the true liberties of men." (My italics.)

Undoubtedly this is a great question; the establishment of a political control over credit will mean a political and financial revolution. For it will establish the power of the government over our whole economic system and will lead rapidly to a common political and economic organization of all classes of capitalists for the control of the government, to a compromise between the group of capitalists that now rules the business world and that far larger group which is bound to rule the government. The financial magnates have seen this truth, and, as Mr. Paul Warburg said to the American Association (New Orleans, Nov. 21, 1911), "Wall Street, like many an absolute ruler in recent years, finds it more conducive to safety and contentment to forego some of its prerogatives . . . and to turn an oligarchy into a constitutional democratic federation [*i.e.* a federation composed of capitalists]."

Mr. Roosevelt has announced a policy with regard to monopolies that foreshadows even more distinctly than anything Mr. Woodrow Wilson has said the solution of the differences between large and small capitalists. He urges that a government commission should undertake "supervision, regulation, and control of these great corporations"

even to the point of controlling "monopoly prices" and that this control should "indirectly or directly extend to dealing with all questions connected with their treatment of their employees, including the wages, the hours of labor, and the like." (4)

This policy is in entire accord with the declarations of Andrew Carnegie, Daniel Guggenheim, Judge Gary, Samuel Untermeyer, Attorney-General Wickersham, and others of the large capitalists or those who stand close to them. It is in equal accord with the declarations of *La Follette's Weekly* and the leading "Insurgent" writers.

It is true that the private monopolies, as Mr. Bryan pointed out (*New York Times*, Nov. 19, 1911), "will soon be in national politics more actively than now, for they will feel it necessary to control Colonel Roosevelt's suggested commission, and to do that they must control the election of those who appoint the commission."

But the private monopolies will soon be more actively in politics no matter what remedy is offered, even government ownership. The small capitalist investors, shippers, and consumers of trust products can only protect themselves by securing control of the government, or at least sharing it on equal terms with the large capitalists.

The reason that Mr. Roosevelt's proposal was hailed with equal enthusiasm by the more far-sighted capitalists, whether radical or conservative, small or large, was that they have an approximately equal hope of controlling the government, or sharing in its control. The unbiased observer can well conclude that they are likely to divide this control between them — and, indeed, that the complete victory of either party is economically and politically unthinkable. Already banks, railways, industrial "trusts," mining and lumber interests, are being forced to follow a policy satisfactory to small capitalist investors, borrowers, customers, furnishers of raw material, and taxpayers — while small capitalist competitors are being forced to abandon their effort to use the government to restore competition and destroy the "trusts."

In the reorganization of capitalism, the non-capitalists, the wage and salary earning class are not to be consulted. Taken together with those among the professional and salaried class who are small investors or expect to become independent producers, the small capitalists constitute a

majority of the electorate (though not of the population), or at least hold the political balance of power. It is capitalist interests alone that really count in present-day politics, and it is for capitalists alone that government control would be instituted.

Viewed in this light the statements of Mr. Woodrow Wilson that "business is no longer in any proper sense a private matter," or that "our program, from which we cannot be turned aside, is, that we are going to take possession of the control of our own economic life," and the similar statements of Mr. Roosevelt, are not so Socialistic as they seem. What their use by the leading "conservative-progressive" statesmen of both parties means is that a partnership of capital and government is at hand.

CHAPTER III

THE POLITICS OF THE NEW CAPITALISM

We are told that the political issue as viewed by American radicals is, "Shall property rule, or shall the people rule?" and that the radicals may be forced entirely over to the Socialist position, as the Republicans were forced to the position of the Abolitionists when Lincoln signed the Emancipation Proclamation. Mr. Ray Stannard Baker notes also that capital is continually the aggressor, as were the slaveholders, and that the conflict is likely to grow more and more acute, since "no one imagines that these powerful men of money will give up their advantage lightly" any more than the old slaveholders did.

Another "insurgent" publicist (Mr. William Allen White) says that the aim of radicalism in the United States is "the regulation and control of capital" and that the American people have made up their minds that "capital, the product of the many, is to be operated fundamentally for the benefit of the many." It is one of those upheavals, he believes, which come along once in a century or so, dethrone privilege, organize the world along different lines, take the persons "at the apex of the human pyramid" from their high seats and "iron out the pyramid into a plane." (1)

If the aim of the "progressives" is the overthrow of "the rule of property" as Mr. Baker claims — if, in the words of Mr. White again, "America is joining the world movement towards equal opportunity for all men in our modern civilization," then indeed the greatest political and economic struggle of history, the final conflict between capitalism and Socialism, is at hand.

But when we ask along what lines this great war for a better society is to be waged, and by what methods, we are told that the parties to the conflict are separated, not by practical economic interests, but by "ideas" and "ideals," and that the chief means by which this social revolution is to be accomplished are direct legislation and the recall and their use to

extend government ownership or control so as gradually to close one door after another upon the operations of capital until its power for harm is annihilated, *i.e.* democracy and collectivism. In other words, the militant phrases used by Socialists in earnest are adopted by radicals as convenient and popular battle cries in their campaign for "State Socialism," as to banking, railroads, mines, and a few industrial "trusts," but without the slightest attempt either to end the "rule of property" or to secure "equal opportunity" for any but farmers and small business men. They do nothing, moreover, to bring about the new political and class alignment that is the very first requirement, if the rule of property in all its forms is to be ended, or equal opportunity secured for the lower as well as the comparatively well-to-do middle classes.

Similarly the essential or practical difference between the "Socialism" of Mr. Roosevelt's editorial associate, Dr. Lyman Abbott, who acknowledges that classes exist and says that capitalism must be abolished, and the Socialism of the international movement is this, that Dr. Abbott expects to work, on the whole, with the capitalists who are to be done away with, while Socialists expect to work against them.

Dr. Abbott claims that the "democratic Socialism" he advocates is directly the opposite of "State Socialism . . . the doctrine of Bismarck," that it "aims to abolish the distinction between possessing and nonpossessing classes," that our present industrial institutions are based on *autocracy* and *inequality* instead of liberty, democracy, and equality, that under the *wages system* or capitalism, the laborers or wage earners are practically unable to earn their daily bread "except by permission of the capitalists who own the tools by which the labor must be carried on." He then proceeds to what would be regarded by many as a thoroughly Socialist conclusion: "The real and radical remedy for the evils of capitalism is the organization of the industrial system in which the laborers or tool users will themselves become the capitalists or tool owners; in which, therefore, the class distinction which exists under capitalism will be abolished." (2)

And what separates the advanced "State Socialism" of Mr. Hearst's brilliant editor, Mr. Arthur Brisbane, from the Socialism of the organized Socialist movement? Has not Mr. Brisbane hinted repeatedly at a possible revolution in the future? Has he not insisted that the crux of "the cost

of living question" is not so much the control of prices by the private ownership of necessities of life (as some "State Socialist" reformers say, and even some official publications of the Socialist Party), as the *exploitation* of the worker *at the point of production*, the fact that he does not get the full product of his labor — phrases which might have been used by Marx himself?

The *New York Evening Journal* has even predicted an increasing conflict of economic interests on the political field — failing to state only that the people's fight must be won by a class struggle, a movement directed against capitalism and excluding capitalists (except in such cases where they have completely abandoned their financial interests).

Asked whether the influence of the Interests (the "trusts") would increase or diminish in this country in the near future, the *Journal* answered: —

"The influence of the interests, which means the power of the trusts, or organized industry and commerce, will go forward steadily without interruption.

"Just as steadily as early military feudalism advanced and grew, UNTIL THE PEOPLE AT LAST CONTROLLED IT AND OWNED IT, JUST SO STEADILY WILL TO-DAY'S INDUSTRIAL FEUDALISM advance and grow without interruption UNTIL THE PEOPLE CONTROL IT and own it.

"The trusts are destined to be infinitely more powerful than now, infinitely more ably organized.

"And that will be a good thing in the long run for the people. The trusts are the people's great teachers, proving that destructive, selfish, unbrotherly competition is unnecessary.

"They are proving that the genius of man can free a nation or a world. They are saying to the people: 'You work under our ORDERS. One power can own and manage industry.'

"It is hard for individual ambition just now. But in time THE PEOPLE WILL LEARN THE LESSON AND WILL SAY TO THE TRUST OWNERS: —

"'THANK YOU VERY MUCH. WE HAVE LEARNED THE LESSON. WE SEE THAT IT IS POSSIBLE FOR ONE POWER TO OWN AND CONTROL ALL INDUSTRY, ALL MANUFACTURES, ALL COMMERCE, AND WE, THE PEOPLE, WILL BE THAT ONE POWER.'

"Just as the individual feudal lords organized their little armies in France, and just as the French people themselves have all the armies in one — UNDER THE PEOPLE'S POWER — so the industries organized Now by the barons of industrial feudalism, one by one, will be taken and put together by the people, UNDER THE PEOPLE'S OWNERSHIP. (3)

Yet we find the *Journal*, like all the vehicles and mouthpieces of radicalism, other than those of the Socialists, unready to take the first step necessary in any conflict; namely, to decide who is the enemy. Unless defended by definite groups in the community, "the rule of property," could be ended in a single election. Nor can the group that maintains capitalist government consist, as radicals suggest, merely of a handful of large capitalists, nor of these aided by certain cohorts of hired political mercenaries — nor yet of these two groups supported by the deceived and ignorant among the masses. Unimportant elections may be fought with such support, but not revolutionary "civil wars" or "the upheavals of the centuries." *In every historical instance such struggles were supported on both sides by powerful, and at the same time numerically important, social classes, acting on the solid basis of economic interest.*

Yet non-Socialist reformers persist in claiming that they represent all classes with the exception of a handful of monopolists, the bought, and the ignorant; and many assert flatly that their movement is altruistic, which can only mean that they intend to bestow such benefits as they think proper on some social class that they expect to remain powerless to help itself. Here, then, in the attitude of non-Socialist reformers towards various social classes, we begin to see the inner structure of their movement. They do not propose to attack any "vested interests" except those of the financial magnates, and they expect the lower classes to remain politically impotent, which they as democrats, know means that these classes are only going to receive such secondary consideration as the interests of the other classes require.

Whether the radical of to-day, the "State Socialist," favors political democracy or not, depends on whether these "passive beneficiaries" of the new "altruistic" system are in a majority. If they are not in a majority, certain political objects may be gained (without giving the non-capitalist masses any real power) by allowing them all to vote, by removing undemocratic constitutional restrictions, and by introducing direct legislation, the recall, and similar measures. If they are a majority, it is generally agreed that it is unsafe to allow them an equal voice in government, as they almost universally fail to rest satisfied with the benefits they secure from collectivist capitalism and press on immediately to a far more radical policy.

So in agricultural communities like New Zealand, Australia, and some of our Western States, where there is a prosperous property-holding majority, the most complete political democracy has come to prevail. Judging everything by local conditions, the progressive small capitalists of our West sometimes even favor the extension of this democracy to the nation and the whole world, as when the Wisconsin legislature proposes direct legislation and the recall in our national government. But they are being warned against this "extremist" stand by conservative progressive leaders of the industrial sections like Ex-President Roosevelt or Governor Woodrow Wilson.

This latter type of progressive not only opposes the extension of radical democracy to districts like our South and East, numerically dominated by agricultural or industrial laborers, but often wants to restrict the ballot in those regions. Professor E. A. Ross, for example, writes in *La Follette's Weekly* that "no one ought to be given the ballot unless he can give proof of ability to read and write the English language," which would disqualify a large part, if not the majority, of the working people in many industrial centers; while Dr. Abbott concluded a lengthy series of articles with the suggestion that the Southern States have "set an example which it would be well, if it were possible, for all the States to follow."

"Many of them have adopted in their constitutions," Dr. Abbott continues, "a qualified suffrage. The qualifications are not the same in all the States, but there is not one of those States in which every man, black or white, has not a legal right to vote, provided he can read and write the English language, owns three hundred dollars' worth of property, and has paid his taxes. A provision that no man should vote unless he has intelligence enough to read and write, thrift enough to have laid up three hundred dollars' worth of property, and patriotism enough to have paid his taxes, would not be a bad provision for any State in the Union to incorporate in its constitution." (4)

Such a provision accompanied by the customary Southern poll tax, which, Dr. Abbott overlooked (evidently inadvertently), would add several million more white workingmen to the millions (colored and white) that are already without a vote. (*a*)

(*a*) In his enthusiasm for these undemocratic measures, Dr. Abbott has retrogressed more than the Southern States, which do not require both a prop-

We cannot wonder, then, that the working people, who are enthusiastic supporters of every democratic reform, should nevertheless distrust the democracy of the new movement. It is generally supposed in the United States that the reason the new "Insurgency" is weaker in the East than in the West is because of the greater ignorance and political corruption of the masses of the great cities of the East. But when we see the radicalism of the West also, as soon as it enters the towns, tending to support the Socialists and Labor parties rather than the reformers, we realize that the distrust has no such local cause.

Perhaps the issue is more clearly seen in the hostility that exists among the working people and the Socialists towards the so-called commission plan of city government, which the progressives unanimously regard as a sort of democratic municipal panacea. The commission plan for cities vests the whole local government in a board of half a dozen elected officials subject to the initiative and referendum and recall. The Socialists approve of the last feature. They object to the commission and stand for the very opposite principle of an executive subordinate to a legislature and without veto power, because a board does not permit of minority representation, and because it allows most officials to be appointed through "influence" instead of being elected. They object also, of course, to the high percentages usually required for the initiative and the recall. It is Socialist and Labor Union opposition, and not merely that of political machines, that has defeated the proposed plan in St. Louis, Jersey City, Hoboken, and elsewhere, and promises to check it all over the country. As a device for saving the taxpayer's money, the commission plan in its usual form is ideal, as a means for securing the benefits of the expenditure of this money to the non-propertied or very small propertied classes, it is in its present form worse in the long run than the present corruption and waste. State legislatures and courts already protect the taxpayers from any measure in the least Socialistic, whatever form of

erty and educational qualification, but only one of the two. Moreover, by the "grandfather" and "understanding" clauses they seek to exempt as many as possible of the whites, *i.e.* a majority of the population in most of these States, from any substantial qualification whatever. Nor does it seem likely that even in the future they will apply freely; against the poor and illiterate of the white race, the measures Dr. Abbott advocates. Just such restricted suffrage laws were repealed in many Southern States from 1820 to 1850, and it is not likely that the present reaction will go back that far.

local government and whatever party may prevail. It has caused more than a little resentment among the propertyless that the taxpayers should actually have the effrontery to propose the still more conservative commission plan as being a radically democratic reform.

It is on such substantial grounds that the propertyless distrust the democracy of the progressives and radicals. They find it extends only to sections or districts where small capitalist voters are in a majority. The "State Socialist" and Reform attitude towards political democracy is indeed essentially opportunistic. Not only does it vary from place to place, but it also changes rapidly with events. As long as the new movement is in its early stages, it deserves popularity, owing to the fact that it brings immediate material benefits to all and paves the way, either for capitalistic or for Socialistic progress, robs capitalism of all fear of the masses, and is ready to remove all undemocratic constitutional barriers and to do everything it can to advance popular government. These constitutional checks and balances prevent the small capitalists and their progressive large capitalist allies from bringing to time the reactionaries of the latter class, while they are so many that, in removing a few of them, there is little danger of that pure political democracy which would alone give to the masses any "dangerous" power. At a later stage, when "State Socialism" will have carried out its program, and the masses see that it is ready to go only so far as the small capitalists' interests allow and no farther, and when it will already have forced recalcitrant large capitalists to terms, and so have reunited the capitalist class, we may expect to see a complete reversal of the present semi-democratic attitude. But as long as the "State Socialist" program is still largely ahead of us, the large capitalists not yet put into their place, and full political democracy — in spite of rapid progress — still far in the distance, a radical position as to this, that, or the other piece of political machinery signifies little. So many reforms of this kind are needed before political democracy can become effective — and in the meanwhile many things can happen that will give ample excuse to any of the "progressive" classes that decide to reverse their present more or less democratic attitude, such as an "unpatriotic" attitude on the part of the masses, a grave railroad strike, etc.

For there will be abundant time before democratic machinery can reach that point in its evolution, when the non-capitalist masses can make the first and smallest use of it *against* their small and large capitalist masters. If, for example, the Supreme Court of this country should ever be made elective, or by any other means be shorn of its political power, and if then the President's veto were abolished, and others of his powers given to Congress, there would remain still other alternatives for vetoing the execution of the people's will — and one veto is sufficient for every practical purpose. Even if the senators are everywhere directly elected, the Senate may still remain the permanent stronghold of capitalism unless overturned by a political revolution.

The one section of the Constitution that is not subject to amendment is the allotment of two senators to each of the States. And even if public opinion should decide that this feature must be made changeable by ordinary amendment like the rest, it might require 90 or even 95 per cent of the people to pass such an amendment or to call a constitutional convention for the purpose. For Connecticut, Rhode Island, Vermont, Delaware, are not only governed by antiquated and undemocratic constitutions, but are so small that wholesale bribery or a system of public doles is easily possible. The constitutions of the mountain States are more modern, but Utah, Wyoming, Nevada, and New Mexico, and others of these States are so little populated as make them very easy for capitalist manipulation, as present political conditions show. Now if we add to these States the whole South, where the upper third or at most the upper half of the population is in firm control, through the disfranchisement of the majority of the non-capitalistic classes (white and colored), we see that, even if the country were swept by a tide of democratic opinion, it is most unlikely that it will ever control the Senate. Moreover, if the capitalists (large and small) are ever in danger of losing the Senate, they have only to annex Mexico to add half a dozen or a dozen new States with limited franchises and undemocratic constitutions.

Either the President, or the Senate, or the Supreme Court might prove quite sufficient to prevent the execution of the will of the people, in any important crisis — they would be especially effective when revolutionary changes in property, and rapid shifting of economic and political power into the

hands of the people, are at stake, as Socialists believe they will be. But to resist such a movement, still another political weapon is available, — even if President, Senate, and Supreme Court fell into the hands of the people (and it is highly probable that the small capitalists, who themselves suffer under the above-mentioned constitutional limitations, will force the larger capitalists to fall back on this other weapon in the end), — namely, a limitation of the suffrage.

The property and educational qualifications for voting which are directed against the colored people in the Southern States are being used to a considerable degree, both North and South, against the poorer whites. While there is no likelihood that this process will continue indefinitely, or that it will spread to all parts of the country, it is already sufficient to throw the balance of political power in favor of the capitalists in the national elections. If we put the total number of voters in the country at 15,000,000, we can see how significant is the fact that more than a million, black and white, have already been directly disfranchised in the South alone.

In view of these numerous methods of thwarting democracy in this country (and there are others) there is no reason why the capitalists should not permit political leaders after a time to accept a number of radical and even revolutionary reforms in political methods. The direct election of senators, though it was bitterly opposed a few years ago, is already widely accepted; the direct nomination of the President has become the law in several States; Mr. Roosevelt threatens that the "entire system" may have to be changed, that constitutions may be "thrown out of the window," and the power of judges over legislation abolished, which, as he notes, has already been advocated by the Socialist member of Congress (5); the Wisconsin legislature formally calls for a national constitutional convention and proposes to make the constitution amendable henceforth by the "initiative"; Governor Woodrow Wilson suggests that *many* of our existing evils may be remedied by national constitutional amendments (6), and two such amendments are now nearing adoption after forty years, during which it was thought that all amendment had ceased indefinitely.

Whether it will be decided to take away the power of the Supreme Court over legislation and make it directly responsible to Congress or the people, or to call a constitutional convention, is doubtful. A convention, as Senator Heyburn

recently pointed out in the Senate, is "bigger than the Constitution" and might conceivably amend what is declared in that instrument not to be amendable, by providing that the States should be represented in the Senate in proportion to population. Even then the existing partial disfranchisement of the electors would prevent a new constitution from going "too far" in a democratic direction. It is also true, as the same senator said, that the habit of amending the Constitution is a dangerous one (to capitalism), and that it might some day put the capitalistic government's life at stake (7). But this after all amounts only to saying that political evolution, like all other kinds, is cumulative, and that its tempo is in the long run constantly accelerated. Certainly each change leads to more change. None of these proposed political reforms, however, even a constitutional convention, *is in itself* revolutionary, or promises to establish even a political democracy. All could coexist, for example, with a still greater restriction of the suffrage.

Nor do any of these measures *in themselves* constitute the smallest step in the direction of political democracy as long as a single effective check is allowed to remain. If there is any doubt on the matter, we have only to refer to other constitutions than ours which accomplish the same object of checkmating democracy without a Supreme Court, without an absolute executive veto, without an effective second chamber, and in one important case without a written constitution (England).

Or, we can turn to France, Switzerland, or New Zealand, where the suffrage is universal and political democracy is already approximated but rendered meaningless to the non-capitalist masses by the existence of a majority composed of small capitalists. And in countries like the United States, where the small capitalists and their immediate dependents are nearly as numerous as the other classes, a temporary majority may also be formed that may soon make full democracy as "safe" for a considerable period as it is in Switzerland or New Zealand. (*b*)

(*b*) Miss Jessie Wallace Hughan in her "American Socialism of the Present Day" (page 184) has quoted me as saying (in the *New York Call* of December 12, 1909) that the amendability of the Constitution by majority vote is a demand so revolutionary that it is exclusively Socialist property. Within the limitations of a very brief journalistic article I believe this statement was justified. It holds for the United States to-day. It does not hold for agrarian countries like Australia, Canada, or South Africa, for backward

As soon as "State Socialism" reaches its point of most rapid development, and as long as it continues to reach ever new classes with its immediate benefits, it will doubtless receive the support of a majority, not only of the voters, but also of the whole population. *During this period* the "Socialistic" capitalists will be tempted to popularize and strengthen their movement not only by uncompleted political reforms, that are abortive and futile as far as the masses are concerned, but also by the most thoroughgoing democracy. For radical democracy will not only be without danger, but useful and invaluable in the struggle of the progressive and collectivist capitalists against the retrogressive and individualist capitalists. As long as there is a majority composed of large and small capitalists and their dependents, together with those of the salaried and professional classes who are satisfied with the capitalistic kind of collectivism (*i.e.* while its progress is most brilliant), it is only necessary for the progressives to hold the balance of power in order to have everything their own way both against Socialism and reaction. The powerful Socialist and revolutionary minority created in industrial communities by equal suffrage and a democratic form of government, *as long as it remains distinctly a minority*, is unable to injure the combined forces of capitalism, while it furnishes a useful and invaluable club by which the progressive capitalists can threaten and overwhelm the reactionaries.

In Great Britain, for example, the new collectivist movement of Messrs. Churchill and Lloyd George, basing itself primarily on the support of the small capitalist class, which there as elsewhere constitutes a very large part (over a third) of the population, seeks also the support of a part of the non-propertied classes. It cannot make them any plausible or honest promise of any equitable redistribution of income or of political power, but it can promise an increase of well-paid government employment, and it can guarantee that it will develop the industrial efficiency of all classes and allow them a certain share, if a lesser one, in the benefits of this policy.

If then "State Socialism," like the benevolent despotisms and oligarchies of history, sometimes offers the purely *ma-*

countries like Russia, or dependent countries like Switzerland or Denmark, where there is no danger of Socialism. And before it can be put into effect, which may take a decade or more, the increased proportion in the population of well-paid government employees and of agricultural lessees of government lands and similar classes, may make a democratic constitution a safe capitalistic policy, for a while, even in the United States.

terial benefits which it brings in some measure to all classes, as a *substitute* for democratic government, it also favors democracy in those places where the small capitalists and related classes form a majority of the community. The purpose of the democratic policy, where it is adopted, is to stimulate new political interest in the "State Socialistic" program, and by increasing cautiously the political weight of the non-capitalists — without going far enough to give them any real or independent power — to check the reactionary element among the capitalists that tries to hold back the industrial and governmental organization the progressives have in view. It was in order to shift the political balance of power that the reactionary Bismarck introduced universal suffrage in Germany, and the same motive is leading Premier Asquith, who is not radical, to add considerably to the political weight of the working classes in England, *i.e.* not to the point where they have any power whatever for their own purposes, but only to that point where their weight, added to that of the Liberals, counterbalances the Tories, and so automatically aids the former party.

The Liberals are giving Labor this almost valueless installment of democracy, just as they had previously granted instead such immediate and material benefits as we see in the recent British budgets, *as if* they were concessions, only hiding the fact that *they would soon have conferred these benefits on the workers through their own self-interest, whether the workers had given them their political support or not.*

Mr. Lloyd George has said: —

"The workingman is no fool. He knows that a great party like ours can, with his help, do things for him he could not hope to accomplish for himself without its aid. It brings to his assistance the potent influences drawn from the great middle classes of this country, which would be frightened into positive hostility by a *purely class organization* to which they do not belong. No party could ever hope for success in this country which does not win the confidence of a *large portion* of this middle class. . . .

"You are not going to make Socialists in a hurry out of farmers and traders and professional men of this country, but you may scare them into reaction. . . . They are helping us now to secure advanced Labor legislation; they will help us later to secure land reform and other measures for all classes of wealth producers, and we need all the help they give us. But if they are threatened with a class war, then they will surely sulk and harden into downright Toryism. What gain will that be for Labor?" (My italics.) (8)

The Chancellor of the Exchequer here bids for Labor's political support on the plea that what he was doing for Labor meant an expense and not a profit to the middle class, and that these reforms would only be assented to by that class as the necessary price of the Labor vote. I have shown grounds for believing that the chief motives of the new reforms have nothing to do with the Labor vote. However much Mr. Lloyd George, as a political manager, may desire to control that vote, he knows he can do without it, as long as it is cast *against* the Tories. The Liberals will hold the balance of power, and their small capitalist followers will continue to carry out their capitalistic progressive and collectivist program — even without a Labor alliance. Nor does he fear that even the most radical of reforms, whether economic or political, will enable Labor to seize a larger share of the national income or of political power. On the contrary, he predicted in 1906 that it would be a generation before Labor could even hope to be sufficiently united to take the first step in Socialism. "Does any one believe," he asked, "that within a generation, to put it at the very lowest, we are likely to see in power a party pledged forcibly to nationalize land, railways, mines, quarries, factories, workshops, warehouses, shops, and all and every agency for the production and distribution of wealth? I say again, within a generation? He who entertains such hopes must indeed be a sanguine and simple-minded Socialist." (9)

Mr. Lloyd George sought the support of Labor then, not because it was all-powerful, but because, for a generation at least, it seemed doomed to impotence — except as an aid to the Liberals. The logic of his position was really not that Labor ought to get a price for its political support, but that *having no immediate alternative,* being unable to form a majority either alone or with any other element than the Liberals, they should accept gladly anything that was offered, for example, a material reform like his Insurance bill — even though this measure is at bottom and in the long run purely capitalistic in its tendency.

And this is practically what Labor in Great Britain has done. It has supported a government all of whose acts strengthen capitalism in its new collectivist form, both economically and politically. And even if some day an isolated measure should be found to prove an exception, it would still remain true that the present policies *considered as a whole*

are carrying the country rapidly and uninterruptedly in the direction of State Capitalism. And this is equally true of every other country, whether France, Germany, Australia, or the United States, where the new reform program is being put into execution.

Many "Socialistic" capitalists, however, are looking forward to a time when through complete political democracy they can secure a permanent popular majority of small capitalists and other more or less privileged classes, and so build their new society on a more solid basis. Let us assume that the railways, mines, and the leading "trusts" are nationalized, public utilities municipalized, and the national and local governments busily engaged on canals, roads, forests, deserts, and swamps. Here are occupations employing, let us say, a fourth or a fifth of the working population; and solvent landowning farmers, their numbers kept up by land reforms and scientific farming encouraged by government, may continue as now to constitute another fifth. We can estimate that these classes together with those among the shopkeepers, professional elements, etc., who are directly dependent on them will compose 40 to 50 per cent of the population, while the other capitalists and their direct dependents account for another 10 per cent or more. Here we have the possibility of a privileged *majority*, the logical goal of "State Socialism," and the nightmare of every democrat for whom democracy is anything more than an empty political reform. With government employees and capitalists (large and small) — and their direct dependents, forming 50 per cent or more of the population, and supported by a considerable part of the skilled manual workers, there is a possibility of the establishment of an iron-bound caste society solidly intrenched in majority rule.

There are strong reasons, which I shall give in later chapters, for thinking that some great changes may take place before this day can arrive.

CHAPTER IV

"STATE SOCIALISM" AND LABOR

STATE Capitalism has a very definite principle and program of labor reform. It capitalizes labor, views it as the principal resource and asset of each community (or of the class that controls the community), and undertakes every measure that is not too costly for its conservation, utilization, and development — *i.e.* its development to fill those positions ordinarily known as *labor*, but not such development as might enable the laborers or their children to compete for higher social functions on equal terms with the children of the upper classes.

On the one hand is the tendency, not very advanced, but unmistakable and almost universal, to invest larger and larger sums for the scientific development of industrial efficiency — healthy surroundings in childhood, good food and healthy living conditions, industrial education, model factories, reasonable hours, time and opportunity for recreation and rest, and on the other a rapidly increasing difficulty for either the laborer or his children to advance to other social positions and functions — and a restriction of the liberty of laborers and of labor organizations, lest they should attempt to establish equality of opportunity or to take the first step in that direction by assuming control over industry and government. From the moment it approaches the labor question the "Socialist" part of "State Socialism" completely falls away, and nothing but the purest collectivist capitalism remains. Even the plausible contention that it will result in the maximum efficiency and give the maximum product breaks down. For no matter how much the condition of the laborers is improved, or what political rights they are allowed to exercise, if they are deprived of all initiative and power in their employments, and of the equal opportunity to develop their capacities to fill other social positions for which they may prove to be more fit than the present occupants, then the human resources of the community are not only left underdeveloped, but are prevented from development.

In the following chapters I shall deal successively with the plans of the "State Socialists" to develop the productive powers of the laboring people and their children — *as laborers*, together with the accompanying tendencies towards compulsory labor, and formation of a class society.

"Our Home policy," says a manifesto of the Fabian Society (edited by Bernard Shaw), "must include a labor policy, *whether the laborer wants it or not*, directed to securing *for him, what, for the nation's sake even the poorest* of its subjects should have." (Italics mine.) (1)

Here is the basis of the attitude of the "State Socialist" towards labor. Labor is to be given more and more attention and consideration. But the governing is to be done by other classes, and the foundation of the new policy is to be the welfare of society as these other classes conceive it, — and not the welfare of the masses of the people as conceived by the masses themselves.

Indeed, a government official has recently pleaded with capital in the name of labor that the time has come when it pays to treat labor as well as valuable horses and cattle. George H. Webb, Commissioner of Labor of Rhode Island, begins his report on Welfare Work by assuring the manufacturers that it is profitable. He says: "Mankind, at least that portion of it that has to do with horseflesh, discovered ages ago that a horse does the best service when it is well fed, well stabled, and well groomed. The same principle applies to the other brands of farm stock. They one and all yield the best results when their health and comforts are best looked after. It is strange, though these truths have been a matter of general knowledge for centuries, that it is only quite recently that it has been discovered that the same rule is applicable to the human race. We are just beginning to learn that the employer who gives steady employment, pays fair wages, and pays close attention to the physical health and comfort of his employees gets the best results from their labor." (2)

Mr. George W. Perkins, recently retired from the firm of J. P. Morgan and Company, who has managed the introduction of pensions, profit sharing, and other investments in labor for the International Harvester Company, has also expressed the view that these measures were profitable "from a pecuniary standpoint." A good illustration is the calculation of the Dayton Cash Register Company, which has

led in this "welfare work," that "the luncheons given each girl costs three cents, and that the woman does five cents more of work each day." Some such calculation will apply to the whole colossal system of governmental labor reforms now favored so widely by far-sighted employers. (3)

In order that the private policy of the more enlightened of the large corporations should become the policy of governments, which employers as a class know they can control, only two conditions need to be filled. Since all employers must to some degree share the burdens of the new taxes needed for such governmental investments in the improvement of labor, there must be some assurance, first, that all capitalists shall share in the opportunity to employ this more efficient and more profitable labor; and second, that the supply of cheap labor, which has cost almost nothing to produce, is either exhausted or, on account of its inefficiency, is less adapted to the new industry than it was to the old. The impending reorganization of governments to protect the smaller capitalists from the large (through better control over the banks, railroads, trusts, tariffs, and natural resources) will furnish the first condition, the natural exhaustion or artificial restriction of immigration now imminent together with the introduction of "scientific management," the second. From a purely business standpoint the greatest asset of the capitalists' government, its chief natural resource, the most fruitful field for conservation, and the most profitable place for the investment of capital will then undoubtedly be in the labor supply.

In presenting the British Budget of 1910 to Parliament, Mr. Lloyd George argued that the higher incomes and fortunes ought to bear a greater than proportionate share of the taxes, because present governmental expenditures were largely on their behalf, and because the new labor reforms were equally to their benefit.

"What is it," he said, "that enabled the fortunate possessors of these incomes and these fortunes to amass the wealth they enjoy or bequeath? The security insured for property by the agency of the State, the guaranteed immunity from the risks and destruction of war, insured by our natural advantages and our defensive forces. This is an essential element even now in the credit of the country; and, in the past, it means that we were accumulating great wealth in this land, when the industrial enterprises of less fortunately situated countries were not merely at a standstill, but their resources were being ravaged and destroyed by the havoc of war.

"What, further, is accountable for this growth of wealth? The spread of intelligence amongst the masses of the people, the improvements in sanitation and in the general condition of the people. These have all contributed towards the efficiency of the people, *even as wealth-producing machines.* Take, for instance, such legislation as the Educational Acts and the Public Health Acts; they have cost much money, but they have made infinitely more. That is true of all legislation which improves the conditions of life for the people. An educated, well-fed, well-clothed, well-housed people *invariably leads to the growth of a numerous well-to-do class.* If *property* were to grudge a substantial contribution towards proposals which insure the security which is one of the essential conditions of its existence or toward keeping from poverty and privation the old people whose lives of industry and toil have either created that wealth or made it productive, then *property* would be not only shabby, but short-sighted." (Italics mine.) (4)

The property interests should be far-sighted enough to support the present economic and labor reforms, not because there is any fear in Great Britain either from a revolutionary Socialist movement or from an organized political or labor union upheaval, for Mr. Lloyd George ridicules both these bogeys, but because such reforms *contribute towards the efficiency of the people, even as wealth-producing machines* — and increase the incomes of the wealthy and the well-to-do.

Mr. Lloyd George continued: —

"We have, more especially during the last 60 years, in this country accumulated wealth to an extent which is almost unparalleled in the history of the world, but we have done it at *an appalling waste of human material.* We have drawn upon the robust vitality of the rural areas of Great Britain, and especially Ireland, and spent its energies recklessly in the devitalizing atmosphere of urban factories and workshops as if the supply were inexhaustible. We are now beginning to realize that we have been spending *our capital,* at a disastrous rate, and it is time we should take a real, concerted, national effort to replenish it. I put forward this proposal, not a very extravagant one, *as a beginning.*" (My italics.) (5)

In order to do away with the economic waste of profitable "human material" and the still more serious exhaustion of the supply, the propertyless wage earner or salaried man for the first time obtains a definite status in the official political economy; he becomes the property of the nation viewed "as a business firm," a part of "our" capital. His position was much like a peasant or a laborer during the formation of the feudal system. To obtain any status at all, to become

half free he had to become somebody's "man." Now he is the "man," the industrial asset, of the government. This paternal attitude towards the individual, however, is not at all similar to the paternalist attitude towards capital. While the individual capitalist often does not object to having his capital reckoned as a part of the resources of a government which capitalists as a class control, — roughly speaking in proportion to their wealth, — we can picture his protests if either *his* personal activity or ability or *his* private income were similarly viewed as dependent for their free use and development on the benevolent patronage of the State. However, for the *workers* to become an asset of the State, even while the latter is still viewed primarily as a commercial institution and remains in the hands of the business class, is undoubtedly a revolutionary advance.

Mr. Winston Churchill also gives, as the basis for the whole program, the need of putting an end to that "waste of earning power" and of "the stamina, the virtue, safety, and honor of the British race," that is due to existing poverty and economic maladjustment. (6) Mr. John A. Hobson, a prominent economist and radical, shows that the purpose of the "New Liberalism" is the full development of "the productive resources of our land and labor," (7) and denies that this broad purpose has anything to do with Socialist collectivism.

Professor Simon Patten of the University of Pennsylvania writes very truly about the proposed labor reforms, that "they can cause poverty to disappear and can give a secure income to every family," without requiring any sacrifice on the part of the possessing classes. No one has shown more clearly or in fewer words how intimately connected are the advance of the worker and the further increase of profits. "Social improvement," Professor Patten says, "takes him [the workman] from places where poverty and diseases oppress, and introduce him to the full advantage of a better position. . . . It gives to the city workman the air, light, and water that the country workman has, but without his inefficiency and isolation. It gives more working years and more working days in each year, with more zeal and vitality in each working day; health makes work pleasant, and pleasant work becomes efficiency when the environment stimulates men's powers to the full. . . . The unskilled workman must be transformed into an efficient citizen; children must be kept from

work, and women must have shorter hours and better conditions." (8)

Professor Patten has even drawn up a complete scientific program of social reforms which lead *necessarily* to the economic advantage of *all* elements in a community without any decrease of the existing inequalities of wealth. "The incomes and personal efforts of those favorably situated," says Professor Patten, "can reduce the evils of poverty without the destruction of that *upon which their wealth and the progress of society depend.*" (Italics mine.)

The reform program begins with childhood and extends over every period of the worker's life. Ex-President Eliot of Harvard and President Hadley of Yale and other leading educators propose that its principles be applied to the nation's children. Dr. Eliot insists that greater emphasis should be laid on vocational and physical training and the teaching of hygiene and the preservation of the health, which will secure the approval of every "State Socialist." Anything that can be done to elevate the health of the nation, and to increase its industrial efficiency by the teaching of trades, will pay the nation, considered as a going concern, a business undertaking of all its capitalists. It might not improve the opportunity of the wage earners to rise to better-paid positions, because it would augment competition among skilled laborers; while it would probably improve wages somewhat, it might not advance them proportionately to the general increase of wealth; it might leave the unequal distribution of wealth, political power, and opportunity even more unequal than they are to-day, but as long as the nation as a whole is richer and the masses of the people better off, "State Socialists" will apparently be satisfied.

President Hadley is even more definite than Dr. Eliot. The new educational policy so thoroughly in accord with the interests of the business and capitalist classes demands "for the people" every opportunity in education that will make the individual a better *worker*, while it allows his development as a *man* and a *citizen* to take care of itself. President Hadley urges that we follow along German lines in public education. What he feels we still lack, and ought to take from Germany, are the "industrial training and the military training of the people": the children are forced to go to the elementary schools for a time, and during that part of their education they are kept out of the shops and the factories. They,

however, receive instructions in the rudiments of shop and factory work." (9) In other words, the children are kept out of the factory, but the shop and the factory are permitted to enter the school. Doubtless an improvement, but not yet the sort of education any business or professional man would desire for his own children at twelve, fourteen, or sixteen years of age. [a]

"State Socialism" looks at the individual, and especially the workingman, almost wholly from the standpoint of what the community, *as at present organized*, the capitalists being the chief shareholders, is able to make out of him. Each newborn child represents so much cost to the community for his education. If he dies, the community loses so and so much. If he lives, he brings during his life such and such a sum to the community, and it is worth while to spend a considerable amount both to prevent his early death or disablement and to increase his industrial efficiency while he lives. According to this view, Professor Irving Fisher of Yale has calculated that the annual child crop in the United States is worth about seven billion dollars per annum, a sum almost equal to the annual value of our agricultural crops. In both cases great economies are possible. Professor Fisher has estimated that 47 per cent of the children who die in America less than five years old could be saved at an average cost of $20 per child, which means an annual loss to the nation of $576,000,000, according to Professor Fisher's calculation of what would have been the future

[a] A more democratic and truthful view of the German educational system is that of Dr. Abraham Flexner (see the *New York Times*, October 1, 1911). He says that the Germans have to solve the following kind of an educational problem: —

"What sort of educational program can we devise that will subserve all the various national policies — that will enable Germany to be a great scientific nation, that will enable it to carry on an aggressive colonial and industrial policy, and yet not throw us into the arms of democracy? Their present educational system is their highly effective reply.

"Our problem is a very different one," Dr. Flexner remarks. "Our historic educational problem has been and is quite independent of any position we might be able to achieve in the world. That problem has always been: How can we frame conditions in which individuals can realize the best that is in them?"

Dr. Flexner is then reported to have quoted the following from a Springfield Republican editorial: —

"Germany could readily train her masses with a view to industrial efficiency, whereas our industrial efficiency is only one of the efficiencies we care about; the American wishes to develop in many other ways, and to have his educational system help him to do it."

value of all the children now lost (above their cost of maintenance).

"We have counted it our good fortune," says Professor Fisher, "to dwell in a land where nature has been so prodigal that we have not needed to fear want. We are only beginning to realize that this very prodigality of nature has produced a spirit of prodigality in men.

"It is the purpose of the conservation movement to rebuke and correct this national trait, and the resources of science are now concentrated in this mighty effort in that direction.

"The conservation of human life will, I believe, constitute the grandest movement of the twentieth century.

"Not only do human beings constitute by far the greatest part of our natural resources, but the waste of human life and strength is by far the greatest of all wastes. In the report of President Roosevelt's conservation commission, although his commission was primarily appointed to conserve our natural rather than our vital resources, it was pointed out that *human beings, considered as capitalized working power, are worth three to five times all our other capital*, and that, even on a very moderate estimate, the total waste and unnecessary loss of our national vitality amounts to *one and one half billions of dollars per year*." (10)

When the "State Socialist" policy has taken possession of the world, which may be in the very near future, or, more correctly speaking, when the world's business and politics are so organized as to give this policy a chance for a full and free application, is it not evident that every advanced nation will consider it as being to its business interest to put an end to this vast, unnecessary loss of life? And if half a billion a year is lost through unnecessary deaths of very young children, is it not probable that an equal sum is lost through death later in childhood or early youth, another similar sum through underfeeding in later life, or through lack of sufficient exercise, rest, recreation, and outdoor life, and a far larger amount through lack of industrial training? Is it not certain that unnecessary industrial accidents, sickness due to overwork and early old age due to overstrain, are responsible for another enormous loss? And, finally, is not unemployment costing a billion a year to the "nation, considered as a business firm"? This last-named loss has been calculated, for the United States alone, as 1,300,000 years of labor time annually. If a round million of these years are saved — if we estimate their value in profits at the low figure of $1000

each,—we have another billion (even allowing for 300,000 unemployable). (11)

Is it not clear that nearly every element in the community will soon combine to do all that is humanly possible to put an end to such costly abuses and neglect; and that conscientious and wholesale efforts to preserve the public health and to secure industrial efficiency cannot be a matter of the distant future, when movements in that direction have already been initiated in Great Britain, Australia, Germany, and some other countries? Sir Joseph Ward, Premier of New Zealand, says that the people of that country have already calculated the value of each child — and, on this basis, made it the subject of certain governmental investments. He says: —

"To return to the annuity fund, apart from the assistance it gives to the wife and children if the father is sick, it also contributes the services of a medical man for a woman at childbirth, and the State pays $30 for that purpose. If all of this is not needed to pay the physician, the rest may be used for carrying on the home. This has all been done with the view to helping the birth rate and bringing into the world children under the most healthy conditions possible, so that they may have a free chance of attaining man's or woman's estate.

"We assess the value of an adult in our country as $1500. So, *from a business standpoint and on national grounds*, we regard the expenditure of a sum up to $30 as judicious, when the value of the infant to the country may be fifty times that sum. Thus the small wage earner's wife and children are provided for, and his fear about being able to provide for a large family is decreased." (Italics mine.) (12)

"I am of the opinion," declares Mr. Churchill, "that the State should increasingly assume the position of the reserve employer of labor," and that "the State must increasingly and earnestly concern itself with the care of the sick and aged, and, above all, of the children." He looks forward "to the universal establishment of the *minimum standards* of life and labor, and their progressive elevation as the increasing energies of production may permit." (13)

Mr. Churchill rejects the supposition that the government intends to stop with the extension of the eight-hour law to miners. "I welcome and support this measure, not only for its own sake," he said, "but more because it is, I believe, simply the precursor of the general movement which

is in progress, all over the world, and in other industries besides this, towards reconciling the conditions of labor with the well-ascertained laws of science and health." (14)

It might be supposed that this measure would prove costly to employers, but this is only a short-sighted view. In the first place, working for less hours, the miners will produce somewhat more per hour, but an even more important ultimate benefit comes from the fact that the most experienced miners, those who are most profitable, being subject to less overstrain, will have a longer working life.

Another measure already enacted towards establishing "a national minimum" applies to the wages in ready-made tailoring and some less important industries, to which shirt-waist making is soon to be added. These are known as the "sweated" trades, "where the feebleness and ignorance of the workers and their isolation from each other render them an easy prey to the tyranny of bad masters and middlemen one step above them upon the lowest rungs of the ladder, and themselves held in the grip of the same relentless forces," — where "you have a condition not of progress but of progressive degeneration." Mr. Churchill asked Parliament to regard these industries as "sick and diseased," and "to deal with them in exactly the same mood and temper as we should deal with sick people," and accordingly boards were established for the purpose of setting up a minimum wage. (15)

But if employers are forced to pay higher wages, it may be thought that they will lose from the law. This Mr. Churchill effectively denies.

"In most instances," he says, "the best employers in the trade are already paying wages equal or superior to the probable minimum which the Trade Board will establish. The inquiries I have set on foot in the various trades scheduled have brought to me most satisfactory assurances from nearly all the employers to whom my investigations have addressed themselves. . . . But most of all I have put my faith in the practical effect of a powerful band of employers, perhaps a majority, who, whether from high motives or self-interest, or from a combination of the two — they are not necessarily imcompatible ideas — will form a vigilant and instructed police, knowing every turn and twist of the trade, and who will labor constantly to protect themselves from being undercut by the illegal competition of unscrupulous rivals."

Mr. Churchill claims that employers who are trying to pursue such trades with modern machinery and modern methods are more seriously hampered by the competition of the "sweaters" than they are by that of foreign employers. "I cannot believe," he concludes, "that the process of raising the degenerate and parasitical portion of these trades up to the level of the most efficient branches of the trade, if it is conducted by those conversant with the conditions of the trade and interested in it, will necessarily result in an increase in the price of the ultimate product. It may even sensibly diminish it through better methods." (16) Mr. Churchill is able to point out, as with most of the other reforms, that in one country or another they are already being put into effect, the legislation against "sweating" being already in force in Bavaria and Baden, as well as in Australia, under a somewhat different form.

But the most striking of the British labor reforms has yet to be mentioned. Not only were the present old age pensions established by the common consent of all the political parties, but a law has now been enacted — also with the approval of all parties (and only twenty-one negative votes in Parliament) — to apply the same methods of state insurance of workingmen to sickness, accidents, and even to unemployment. The old age pensions were already more radical than those of Prussia in that the workingmen do not have to contribute under the British law, while the National Insurance Bill as now enacted surpasses both the former British measure and the German precedent in everything, except that it demands a lesser total sum from the government. In the insurance against accidents, sickness, and unemployment the government, instead of contributing the whole amount, gives from two ninths to one third, one third to one half being assessed against employers and one sixth to four ninths against employees. At first this reform, it is expected, will cost only about $12,500,000, and it will be several years before the maximum expenditure of $25,000,000 is reached. But the measure is radical in several particulars: it applies to clerks, domestic servants, and many other classes usually not reached by measures of the kind,—a total of some 14,000,000 persons; it provides $5,000,000 a year for the maintenance of sanatoria for tuberculosis and creates new health boards to improve sanitation and educate the people in hygiene; and it furnishes physicians and medicines

for the insured, thus organizing practically the whole medical force and drug supply as far as the masses are concerned.

In fact, the whole scheme may be looked on not so much as a measure to aid the sick and wounded of industry financially, as to set at work an automatic pressure working towards the preservation of the health, strength, and productive capacity of the people, and incidentally to the increase of profits. As Mr. Lloyd George said in an interview printed in the *Daily Mail:* "I want to make the nation more healthy than it is. The great mass of illness which afflicts us weighs us down and is easily preventable. It is a better thing to make a man healthy than to pay him so much a week when he is ill."

Mr. Lloyd George points out that the German employers have found that the governmental insurance against accidents has proved a good investment: —

"When Bismarck was strengthening the foundation of the new German Empire, one of the very first tasks he undertook was the organization of a scheme which insured the German workmen and their families against the worst evils arising from these common accidents of life. And a superb scheme it was. It has saved an incalculable amount of human misery to hundreds of thousands and possibly millions of people.

"Wherever I went in Germany, north or south, and whomever I met, whether it was an *employer* or a workman, a *Conservative* or a Liberal, a Socialist or a Trade-union Leader — men of all ranks, sections and creeds, with one accord joined in lauding the benefits which have been conferred upon Germany by this beneficent policy. Several wanted extensions, but there was not one who wanted to go back. The employers admitted that at first they did not quite like the new burdens it cast upon them, *but they now fully realized the advantages which even they derived from the expenditure,* for it had raised the standard of the workman throughout Germany." (My italics.) (17)

It is not only worry and anxiety that were removed, but definite and irregular sums that workers or their employers had formerly set aside for insurance against accident, sickness, and old age, were now calculated and regulated on a business basis more profitable to both parties to the labor contract. It is true that in Germany the employers only pay part of the cost, the rest being borne almost entirely by employees, while in Great Britain — as far as the old age pensions go — the government pays all, and is likely to pay a considerable part, perhaps a third, in the other insurance schemes. But the plan by which the government pays all may prove even

less costly to the employing class, since landlords and inactive capitalists on the one hand and the working people on the other, pay the larger part of the taxes — so that state insurance in this thoroughgoing form is perhaps destined to be even more popular than the German kind.

The most radical provision of the new bill is that which deals with unemployment. Though applying only to the engineering and building trades, it reaches 2,400,000 people. It proposes to give a weekly allowance to every insured person who loses employment through no fault of his own, though nothing is given in strikes and lockouts. And it is intended to extend this measure to other employments. This is only the first installment.

It is probable that Mr. Churchill's project that the State should undertake to abolish unemployment altogether is the most radical of all the proposed policies, excepting only that to gradually expropriate all the future unearned increment of land.

"An industrial disturbance in the manufacturing districts and the great cities of this country," says Mr. Churchill, "presents itself to the ordinary artisan in exactly the same way as the failure of crops in a large province in India presents itself to the Hindoo cultivator. The means by which he lives are suddenly removed, and ruin in a form more or less swift and terrible stares him instantly in the face. That is a contingency which seems to fall within the most primary and fundamental obligations of any organization of government. I do not know whether in all countries or in all ages that responsibility could be maintained, but I do say that here and now, in this wealthy country and in this *scientific* age, it does in my opinion exist, is not discharged, and will have to be discharged." (18)

Mr. Churchill proposes not only to guard against periods of unemployment which extend to all industries in the case of industrial crises, but also to provide more steady employment for those who are unoccupied during the slack seasons of the year or while passing from one employer to another. Above all he plans that the youth of the nation shall not waste their strength entirely in unremunerative employment or in idleness, but that every boy or girl under eighteen years of age should be learning a trade as well as making a living. Few will deny that the program of Mr. Churchill and his associates in this direction marks a great step towards that "more complete or elaborate social organization" which he advocates.

One of the most significant of all the measures by which

Mr. Churchill plans to lend the aid of the State to the raising of the level of the working classes is his "Development" Act. The object of this bill, in the language of Mr. Churchill, is "to provide a fund for the economic development of our country, for the encouragement of agriculture, for afforestation, for the colonization of England (the settlement of agricultural land), and for the making of roads, harbors, and other public works." Stated in these terms, the Development Act is a measure of "State Socialism" for the general industrial advance of the country, but the main argument in its behalf lies in that clause of the bill which provides, to quote from Mr. Churchill again: "that the prosecution of these works shall be regulated, as far as possible, by the conditions of the labor market, so that in a very bad year of unemployment they can be expanded, so as to increase the demand for labor at times of exceptional slackness, and thus correct and counterbalance the cruel fluctuations of the labor market." (19)

We have seen that Mr. Churchill has justified these measures, not as increasing the relative share of the working classes, but as adding to the total product. They are to add to the industrial efficiency of the nation as a whole, and so incidentally to bring a greater income to all, — but in much the same proportions as wealth now distributes itself.

In this country Mr. Roosevelt has advocated a typical "State Socialist" program of labor reforms including: —

"A workday of not more than eight hours."
"The abolition of the sweat-shop system."
"Sanitary inspection of factory, workshop, mine, and home."
"Liability of employers for injury to body and loss of life" and "an automatically fixed compensation."
"The passage and enforcement of rigid anti-child-labor laws which will cover every portion of this country."
"Laws limiting woman's labor."

All these measures except the first were adopted long ago, in considerable part at least, by the reactionary government of Prussia and are being introduced generally in monarchical and aristocratic Europe, and I have shown that the eight-hour day has been instituted for miners in Great Britain and that Mr. Winston Churchill proposed to extend it. Mr. Roosevelt himself concedes that "we are far behind the older and poorer countries" in such matters. But an examination

of the action of State legislatures during the year just past will show that we are making rapid progress in the same direction.

"Social" or "industrial" efficiency, promoted by the government, is already the central idea in American labor reform. Government insurance against old age, accident, sickness, and unemployment is regarded, not as the "workingmen's compensation" for injuries done them by society, but as an automatic means of forcing backward employers to economize the community's limited supply of labor power — not to wear it out too soon, not to overstrain it, not to damage it irreparably or lay it up unnecessarily for repairs, and not to leave it idle. Mr. Louis Brandeis points out that mutual fire insurance has appealed to certain manufacturers because in twenty years it has resulted in measures that have prevented more than two thirds of the expected losses by fire. Similarly, he says, "if society and industry and the individual were made to pay from day to day the actual cost of sickness, accident, invalidity, premature death, or premature old age consequent upon excessive hours of labor, of unhygienic conditions of work, of unnecessary risk, and of irregularity in employment, those evils would be rapidly reduced." (20)

This, as Mr. Brandeis says, is undoubtedly on the "road to social efficiency" and its practical application will convince employers better than "mere statements of cost, however clear and forceful." It will remove a vast sea of human misery, and the process will immensely enrich society. But like the other State Capitalist reforms (until they are supplemented by some more radical policy) it will at the same time automatically bring about an increase of existing inequalities of income and an intensification of social injustice.

Mr. William Hard in a study of workingmen's compensation for *Everybody's Magazine* has reached a similar conclusion to that of Mr. Brandeis: "Far from attacking the present relationship between employer and employee, automatic compensation specifically recognizes it. The backbone of the present so-called 'capitalism'; namely, the hiring of the unpropertied class by the propertied class to do work for wages, is not caused by automatic compensation to lose a single vertebra, and automatic compensation has nothing whatever to do with Socialism except that it is accomplished under the supervision of the State." If compulsory insurance against accidents "has nothing whatever to do with Social-

ism," neither have compulsory insurance against sickness, against old age, against certain phases of unemployment.

The social reformers propose a labor policy that is *for* the people whether they like it or not; the only "rights" it gives them are "the right to live" and "the right to work." Its first object is to produce more efficient and profitable laborers, its second to have the government take control of organized charity, to which aspect I must now turn. Most of the labor reforms, enacted to secure for the laborer "what for the Nation's sake even the poorest of its subjects should have," have been urged more strongly by philanthropists and political economists than by representatives of the workers. In America "the minimum wage," for example, is being worked up by a special committee consisting almost exclusively of this class, while workmen's compensation has been indorsed by the most varied political and social elements, from the chief organ of American philanthropists, and Theodore Roosevelt, to the Hearst newspapers.

With "the national efficiency" in view, Mr. Webb asks the British government to take up the policy of a "national minimum," including not only a minimum below which wages are not to fall, but also a similar minimum of leisure, sanitation, and education. (21) Mr. Edward Devine, editor of the leading philanthropic and reform journal in America, the *Survey*, outlines an identical policy and also insists like Mr. Webb that the Socialist can lay no exclusive claim to it.

"The social economist [*i.e.* reformer]," writes Mr. Devine, "is sometimes confused with the Utopian [*i.e.* Socialist]. They are, however, very distinct types of reformers. The Utopian dreams of ideals. The social economist seeks to establish the normal. . . . The social worker is primarily concerned, *not* with the lifting of humanity to a higher level, but with eradicating the maladjustments and abnormalities, the needless inequalities, which prevent our realizing our own reasonable standards."

Speaking in the name of American reformers in general, Mr. Devine demands for the lower levels of society "normal standards" of life, which are equivalent to Mr. Webb's national minimum, and definitely denies the applicability of "the question-begging epithet of Socialism which is hurled at all the reformers engaged in such work."

"Whether it belongs to the Socialist program," Mr. Devine objects, "is a question so far as we can see of interest only

to the Socialists. Our advocacy of such laws as we enumerate has no Socialist origin." He claims that the "expenditures legitimately directed towards the removal of adverse social conditions, are not uneconomic and unproductive," and that "they do not represent a mere indulgence of altruistic sentiment," but are "investments"; of which prison reforms and the expenditures for the prevention of tuberculosis are examples. (22)

Another phrase for the proposed saving of the national labor resources and the introduction of minimum standards in its philanthropic aspect is "the abolition of poverty.' When he speaks of this as a definite and by no means a distant reform, the reformer refers to *that extreme form of poverty*, so widely prevalent to-day, which results in the physical deterioration and the industrial inefficiency of a large part of the population.

This sort of poverty is a burden on industry and the capitalists, and Mr. Lloyd George was widely applauded when he said that it can and must be done away with. He has calculated, too, that this abolition can be accomplished *at half the cost of the annual increase in armaments.*

"This is a War Budget," said Mr. Lloyd George in presenting the reform program of 1910. "It is for waging implacable war against poverty and squalidness. I cannot help hoping and believing that before this generation has passed away we shall have advanced a great step toward the time when poverty, and the wretchedness and the human degradation which always follows in its camp, will be as remote from the people of this country as the wolves which once infested its forests."

Mr. H. G. Wells, who has been a leading figure in the British reform world and in the Fabian Society for many years, speaks on this reform movement not merely as a keen outside observer. As an advocate of more radical measures, he argues that there is nothing Socialistic about "the national minimum." This "philanthropic administrative Socialism," as Mr. Wells calls it, is very remote, he says, from the spirit of his own. (23) Yet, critical as Mr.Wells is, he also advocates a policy that could be summed up in the single phrase, "industrial efficiency." "The advent of a strongly Socialistic government would mean no immediate revolutionary changes at all," he says. "There would be no doubt an educational movement to increase the economic value and productivity of the average citizen of the next generation,

and legislation *upon the lines laid down by the principle of the 'minimum wage'* to check the waste of our national resources by destructive employment. Also a shifting of the burden of taxation of enterprise to rent would begin." (My italics.) The Liberals who are already setting these reforms on foot disclaim any connection whatever with Socialism, but Mr. Wells argues that they do not realize the real nature of their policy.

The establishment of this paternal "State Socialism," whether based on a philanthropic "national minimum" or a scientific policy of "industrial efficiency," many other "Socialists" besides those of Great Britain consider to be the chief task of Socialism itself in our generation. Among the latter was the late Edmond Kelly, a member of the Socialist party in this country at the time of his death, who, in his posthumous work, "Twentieth Century Socialism," has summed up his political faith in much the same way as the anti-Socialist reformer might have done. He says that three of the four chief objects of Socialism are the organization of society, first "to prevent that overwork and unemployment which lead to drunkenness, pauperism, prostitution, and crime"; second, "to preserve the resources of the country"; and third, "to produce with the greatest economy, with the greatest efficiency." (24) Yet Mr. Carnegie and Mr. Rockefeller, as well as Mr. Roosevelt, agree to all three of these policies. They are precisely what the leading Socialists have called "State Socialism."

A part of the working people, also, are disposed to subordinate their own conceptions of what is just, in spite of their own better judgment, to an exclusive longing for an immediate trial of this kind of State benevolence. This is expressed in the widely used phrase, "every man to have the right to work and live," — employed editorially, for example, by Mr. Berger, now Socialist Congressman. What is demanded by this principle is *not a greater proportion of the national income or an increasing share of the control over the national government, but the "State Socialist" remedies, employment, and the minimum wage.* In its origin this is the begging on the part of the economically lowest element, a class which Henry George well remarks has been degraded by poverty until it considers that "the chance to labor is a boon."

Some years ago the municipal platform of the Milwaukee Socialists said that it must be borne in mind "that the

famine-stricken is better served with a piece of bread than with the most brilliant program of the future" and that "in view of the hopelessness of an immediate radical betterment in the position of the working class" it is necessary to emphasize the importance of attaining "the next best." (25) Here again was admitted complete dependence on those who own the bread and have the disposition of "the next best" in political reforms. When capitalism is a little better organized, the working people will be guaranteed "the next best": steady work and the food, conditions, and training necessary to make that work efficient — just as surely as valuable slaves were given these rights by intelligent masters or as valuable horses even are given care and kindly treatment to-day.

"A Socialist Social Worker" has published anonymously in the *Survey* a letter which presents in a few words the whole Socialist position as to this type of reform. The writer claims that the very fact that he is a social worker shows that even as a Socialist he welcomes "every addition to the standard of living that may be wrested or argued from the Capitalist class," since all Socialists recognize that "no undernourished class ever won a fight against economic exploitation, but that the more is given the more will be demanded and secured." But he does not feel that the material betterments have any closer relation to Socialism.

"The new feudalism," he says, "will care for and conserve the powers of the human industrial tool as the lord of the manor looked after the human agricultural implement. . . ." Here is the essential point: the efficiency of the human industrial tool is to be improved with or without his consent.

"Unrestrained Capitalism," says the same writer in explanation of his prediction, "has hitherto invariably meant the physical deterioration of the working class and the marginal disintegration of society — the loosening of social ties and the pushing of marginal members of society over the brink into poverty, pauperism, vagrancy, drunkenness, prostitution, wife desertion and crime, *but this deterioration is not the main indictment against capitalism*, and will be remedied by the wiser capitalists themselves. The main indictment of capitalism is that it selfishly and stupidly blocks the road of orderly and continuous progress for the race."

The proposal of the social reformers, as far as the workers are concerned aims to put an end to this deterioration, to standardize industry or to establish a minimum of wages,

leisure, health, and industrial efficiency. The writer says that the Socialists aim at something more than this.

"The criterion of social justice in every civilized community, he writes, "is, and always has been, not how large or how intense is the misery of the social debtor class, but what is done with the social surplus of industry? It was formerly used to build pyramids, to create a landed or ecclesiastical or literary aristocracy, to conduct wars, or to provide the means of a sensuous life for the majority of a privileged class, and the means of dilettantism for the minority of it. *The difference between the near Socialist and the true Socialist is principally that the main attention of the former is given to the negative side of the social problem — the condition of the submerged classes, while that of the latter is given to the positive side of the problem — the wonderful development, power, and life that would come to that race and the individual if a wise and social use were to be made of the surplus of industry.*"

CHAPTER V

COMPULSORY ARBITRATION

So far I have spoken only of the constructive side of the new capitalism's labor program, its purpose to produce healthy and industrially efficient laborers so as to increase profits. "State Socialism" gives the workingman as a citizen certain carefully measured political rights, and legislates actively in his behalf as a profit-producing employee at work, but its policy is reversed the moment it deals with him and his organizations *as owners and sellers of labor.*

Towards the individual workers, who are completely powerless either politically or economically until they are organized, the new capitalism is, on the whole, both benevolent and actually beneficent. But it does not propose that organized labor shall obtain a power either in industry or in government in any way comparable to that of organized capital.

"Successful State Socialism," as Victor S. Clark says in writing of the Australian experiments, "depends largely upon perfecting public control over the individual." (1) But compulsory arbitration of labor disputes which reaches the wage earners' organizations, is far more important to "State Socialism" than any other form of control over individual. A considerable measure of individual liberty may be allowed without endangering this new social polity, and it is even intended systematically to encourage the more able among the workers by some form of individual or piece wages — or at least a high degree of classification of the workers — and by a scheme of promotion that will utilize the most able in superior positions, and incidentally remove them out of the way as possible leaders of discontent.

Nor is it intended to use any compulsion on labor organizations beyond that which is essential to prevent them from securing a power in society in any way comparable to that of property and capital. For this purpose compulsory arbitration is the direct and perfect tool. It can be limited

in its application to those industries where the unions really occupy a position of strategic importance like railroads and coal mines, and it can be used to attach to the government those employees that are unable to help themselves. I have mentioned those weaker groups of employees who would be unable to improve their condition very materially except by government aid, and, even when so raised to a somewhat higher level, have no power to harm capitalism. Compulsory arbitration or some similar device must therefore replace such crudely restrictive and oppressive measures as have hitherto been applied to the unions.

In the United States all "dangerous" strikes are at present throttled by court injunctions forbidding the strikers to take any effective action, and boycotts are held to be forbidden by the Sherman law originally directed against the "trusts." Recently the Supreme Court decided that the officers of the American Federation of Labor were not to be imprisoned for violation of the latter statute. But the decision was purely on technical grounds, and the court upheld unanimously the application of the law to the unions. There is little question that the attorney for the manufacturers, Daniel Davenport, was right when he thus summed up the court's opinion: —

"It held that the boycott is illegal; that the victim of the boycott has the right to go into court of equity for protection by injunction; that such court has the right to enjoin any and every act done in enforcing the boycott, including the sending out of boycott notices, circulars, etc., that the alleged constitutional right of free speech and free press affords the boycotter no immunity for such publication; that for a violation of the injunction the party violating it is liable to be punished both civilly and criminally."

Against this law and the use of injunctions in labor disputes the Federation of Labor has introduced a bill through Congressman W. B. Wilson, which aims to free the unions from these legal obstacles by enacting that no right to continue the relation of employer to employee or to carry on business shall be construed as property or a property right; and that no agreement between two or more persons concerning conditions of employment or its termination shall constitute a conspiracy or an offense against the law unless it would be unlawful if done by a single individual, and that, therefore, such an act is not subject to injunctions. While neither of the great parties has definitely promised to sup-

port this particular measure, one party has made a vague promise to restrict injunctions, and the leaders of the progressive wings of both are quite definite about it. Nearly half of the House of Representatives voted for the repeal of the Sherman law as applied against union boycotts. Senator La Follette has demanded the abolition of this species of injunction, and Governor Woodrow Wilson has accused our federal courts of "elaborating a theory of conspiracy destined to bring 'the sympathetic strike' and what is termed 'the secondary boycott' under legal condemnation."

Such reforms are not as radical as might appear to Americans, for the boycott is legal in Germany, while the crime of "conspiracy" was repealed in Great Britain in 1875, and the rights of strikers were further protected in that country by the repeal of the Taff Vale decision against picketing a few years ago, and yet unions are in no very strong position there. And weak as they are, the talk of compulsory arbitration is growing, and it seems only question of time until some modification of it is adopted. And, though the abuse of injunctions and the other forms of anti-union laws and decisions now prevailing will probably be done away with in this country, there is little doubt that here also employers will use some great coal or railroad strike as a pretext for enacting a compulsory arbitration law. (*a*)

Similarly, as governments continue to take on new industrial functions, great importance is attached to the right of government employees, now denied, to organize and to join unions. Senator La Follette and other progressives also champion this right against President Taft, and will doubtless win their fight, but, as I shall show later a right to organize does not mean a right to strike — and there seems no probability that any government will fail to answer the effort

(*a*) In her "American Socialism of the Present Day" (p. 185), Miss Hughan has quoted me (see the *New York Call* of December 12, 1909), as classing the abolition of the injunction as one of the revolutionary demands never to be satisfied until the triumph of Socialism. As a means to check the growth of the power of the unions, this method of arbitrary government by judges has never been resorted to except in the United States. It is evident, then, that this statement was only meant for America. It should also have been qualified so as to apply solely to the America of to-day. For as other methods of checking the unions exist in other countries, it is obvious that they could be substituted in this country for the injunction, a proposition in entire accord with all I have written on the subject — though unfortunately not stated in this brief journalistic expression. I have now come to the belief, on the grounds given in the text, not only that a new method of fighting the unions (namely, compulsory arbitration) *can* be substituted for the injunction, but that this *will* be done within a very few years.

to strike on any very large scale either by punishment for conspiracy against the State or by excluding the strikers permanently from government employment. They will doubtless be offered, as in France, instead of the right to strike, the right to submit their grievances as a body, if they wish it, to some government board (see Part III, Chapter VI).

The Australasian labor leaders were the first and are still the chief advocates of compulsory arbitration among the unionists, and if they find it used against them they have nobody but themselves to blame. That Labor is disappointed in the result in those countries is shown by the fact that of late years, both in Australia and New Zealand, the most important strikes have been settled outside of the compulsory arbitration acts, and Mr. Clark states that he is unaware of any important exception.

But that the workers in Australia still hope to use this legislation for their purposes is shown by the referendum of 1911, by which they sought to nationalize the State laws on the subject. At the time of the railroad strike in Victoria, Australia, in 1903, a law was passed which imposed a penalty of "twelve months' imprisonment or a fine of one hundred pounds" for engaging in a strike on government railways, and made a man liable to arrest without warrant or bail "for advising a strike orally or by publication, or for attending any meetings of more than six persons for the purpose of encouraging strikers." Even then the limit had not been reached. In 1909 the Parliament of New South Wales passed an act especially directed against strikes in any industry which produced "the necessary commodities of life [these being defined as coal, gas, water, and food] the privation of which may tend to endanger human life or cause serious bodily injury," and the penalty of twelve months' imprisonment of the Victorian law was extended to all this vast group of industries also. The law of New South Wales was most stringent, providing that any one taking part in a strike meeting under these circumstances is also liable to twelve months' imprisonment, and that the police may break into the headquarters of any union and seize any documents "which they reasonably suspect to relate to any walk-out or strike." Under this law the well-known labor leader, Peter Bowling, was sentenced to one year of imprisonment.

The unions violently denounced this enactment, but chiefly

as they had denounced previous legislation, on the ground that it permitted *unorganized* workmen to apply for relief under the law. That is to say, while the employers were using the law to make striking a crime, they were extending such benefits as it produced to the nonunion workers who can often be used as tools for their purposes. But the astounding hold that "State Socialism" has on the Australian masses, especially on the working people, is shown by the steadfast belief that this measure can be amended so as to operate to their interest. Bowling and his unions made a serious agitation for the general strike against the coercive measure just mentioned, but it was only by a tie vote that the New South Wales Labour Congress even favored protest in the form of cancelling the agreement which the unions had made under the Industrial Disputes Acts, while in the next elections New South Wales returned a majority of labor representatives opposing Bowling's policy of radical protest. That is, the majority of the working people still express confidence in the possibilities of compulsory arbitration, and even want to extend it.

Professor Le Rossignol of the United States and Mr. William D. Stewart of New Zealand have undertaken a careful and elaborate investigation of compulsory arbitration in New Zealand. (2) A reference to a few of their quotations from original documents will show the nature and possibilities of this coercive measure as it has developed in the country of its origin. The original law in New Zealand was introduced by the Honorable William Pember Reeves, the Minister of Labor, in 1894, and was supported by the labor leaders. Mr. Reeves says: "What the act was primarily passed to do was to put an end to the larger and more dangerous class of strikes and lockouts. The second object of the act's framer was to set up tribunals to regulate the conditions of labor."

"Mr. Reeves' chief idea," say our authors, "was to prevent strikes, and a great deal more was said in Parliament about industrial peace than about the improvement in the conditions of labor which the act was to bring about. But there can be little doubt that the unionists, without whose help the act could not have been passed, thought more of the latter than of the former result, and looked upon the act as an important part of the new legislation for the benefit of the working class." Here is the contrast that we must

always keep in mind. *The purpose of the unionists is to see if they cannot obtain improvements in their conditions; the purpose of the employers and also of "the public" is to prevent strikes.* One of the most able students of the situation, Mr. MacGregor, has shown that since the passing of the law the latter purpose has been thoroughly accomplished, since it has been used not only as was originally intended, to settle labor disputes which become so serious as to threaten to "arrest the processes of industry," but that it has practically built up a "system of governmental regulation of wages and conditions of labor in general." That is to say, the law has accomplished rather the purposes of the employers than those of the employees.

In another point of the most fundamental importance the law has become something radically different from what the labor leaders who first favored it hoped it would be. The act of 1894 was entitled: "An act to encourage the formation of industrial unions and associations and to facilitate the settlement of industrial disputes by conciliation and arbitration." By the amendment of 1898 the words, "to encourage the formation of industrial unions and associations," were left out. Thus the law ceased to be directly helpful to the very unions which had done so much to bring it about and are the only means employees possess to make the law serve them instead of becoming a new weapon for employers.

An early decision of the Arbitration Court in 1896 had declared that preference should be given to the unionists. "Since the employer was the judge of the qualifications of his employees, the unionists did not gain much by this decision," say Le Rossignol and Stewart. "In later awards it was usually specified that preference was granted only when the union was not a closed guild, but practically open to every person of good character who desired to join." These later decisions brought it about that the so-called preference of unionists became no preference at all. "The Arbitration Court, except in a few minor cases, has refused to grant unconditional preference and the unionists, realizing that preference to an open union is no preference at all, now look to Parliament for redress and demand statutory unconditional preference to unionists."

In 1905 strikes and lockouts were made statutory offenses, and a single judge was given the power practically to force the individual worker to labor. After ten years of trial the

law had become almost unrecognizable from the workingman's standpoint, and from this moment on the resistance to it has grown steadily. In a decision rendered in 1906, the Chief Justice said: "The right of a workman to make a contract is exceedingly limited. The right of free contract is taken away from the worker, and he has been placed in a condition of servitude or status, and the employee must conform to that condition." Not only do judges have this power, but they have the option of applying or not applying it as they see fit, for the amendment of 1908 "expressly permits the court to refuse to make an award if for any reason it considers it desirable to do so." With a law, then, that in no way aids the unions, as such — however beneficial it may be at times to the individual workingman — and which leaves an arbitrary power in the hands of the judge elected by an agricultural majority, what has been the *concrete* result? Especially, what principles have been applied by the judges?

Of course the first principle has been that all the working people should get what is called a "minimum" or a "living" wage, but our authors show that merely to keep their heads above the sea of pauperism was not at all the goal of the workers of New Zealand. No doubt they were already getting such a wage in that relatively new and prosperous country, yet this was all the new law did or could offer, besides keeping existing wage scales up to the rising cost of living. Anything more would have required, not compulsory arbitration, but a series of revolutionary changes in the whole economic and political structure. "Another stumbling block in the way of advance in wages is the inefficient or marginal or no-profit employer, who, hanging on the ragged edge of ruin, opposes the raising of wages on the ground that the slightest concession would plunge him into bankruptcy. His protests have their effect on the Arbitration Court, which tries to do justice to all the parties and fears to make any change for fear of hurting somebody. But the organized workers, caring nothing for the interests of any particular employer, demand improved conditions of labor, though the inefficient employer be eliminated and all production be carried on by a few capable employers doing business on a large scale and able to pay the highest wages."

Here is the essential flaw in compulsory arbitration in

competitive industries (its limitations under monopolies will be mentioned later). The courts cannot apply a different standard to different employers. On the other hand, they cannot fix a wage which any employer cannot afford to pay or which will drive him out of business. That is to say, the standard tends to be fixed by what the poorest employer can pay, the employer who, from the standpoint either of capital or of labor or of efficient industry, really deserves to be driven from business. An exception is made only against such employers as cannot even afford to pay a *living* wage — these alone are eliminated.

Le Rossignol and Stewart show that in view of these considerations the court has repeatedly stated that "profit sharing could not be taken as a basis of awards, on the ground that it would involve the necessity of fixing differential rates of wages, which would lead to confusion, would be unfair to many employers, and unsatisfactory to the workers themselves."

With such a principle guiding the court, and it is probably a necessity under commercial competition, it is no wonder that some of the representatives of the unions have claimed that annual real wages have actually fallen. "It is not easy," say our authors, "to show that compulsory arbitration has greatly benefited the workers of the Colony. Sweating has been abolished, but it is a question whether it would not have disappeared in the years of prosperity without the help of the Arbitration Court. Strikes have been largely prevented, but it is possible that the workers might have gained as much or more by dealing directly with their employers than by the mediation of the court. As to wages, it is generally admitted that they have not increased more than the cost of living. A careful investigation by Mr. von Dalezman, the Registrar-General, shows that, while the average wages increased from 1895 to 1907 in the ratio of 84.8 to 104.9, the cost of food increased in the ratio of 84.3 to 103.3. No calculation was attempted for clothing or rent." If we take it into account that rents have risen very rapidly and are especially complained of by the working people, we can see that real wages, measured by their purchasing power, probably fell in the first twelve years of compulsory arbitration, notwithstanding that it was on the whole a period of prosperity in the Colony. For ten years, as a consequence, the complaints of the workers against the decisions have been growing, "not because the

wages were reduced, but because they were not increased, and because other demands were not granted."

When the unions perceived that the principles for which they have been contending were not granted, and that their material conditions were not being improved, it was suggested that the judge of the Arbitration Court should be elected by the people, in the hope that the unions might control the election, "but this would be at variance with all British traditions and could not be brought about," say our authors. No doubt British tradition has had something to do with the matter, but the impracticability of this remedy is much more due to the fact that the employees confront an agricultural and middle class majority.

At first it was the employers who were displeased, but now they are becoming converted. The employers, say Le Rossignol and Stewart, "have come to realize that they might have lost more by strikes than they have ever lost by arbitration; and, since the workers have been dissatisfied, the employers are more disposed to stand by the act, or to maintain a neutral attitude, waiting to see what the workingmen will do."

It would seem, then, that the real gain from the law has been through the abolition of strike losses, and since these had previously been borne by employers and employees alike, this saving has been pretty equally divided between the two classes, neither making any relative gain over the other. But at the bottom this is a blow to the unions, for the purpose of every union policy is not merely to leave things where they were before, but to increase the workers' relative share. Any policy that brings *mutual* gain requires no organized struggle of any kind. It is the workers who are the plaintiffs, and the employers the defendants. When things are left *in statu quo* it is a moral and actual defeat for the employees.

This is why, in the last two or three years, the whole labor movement in New Zealand has arisen against the law. In 1908 the coal miners' union refused to pay a fine levied against it, alleging that it had no funds. "In this position the union was generally condemned by public opinion, but supported by a number of unions by resolutions of sympathy and gifts of money. Finally, the Arbitration Court decided to proceed against the men individually for their share of the fine. The whole of the fine, together with the costs of collection, amounting to over 147 pounds, was recovered by

means of attachment orders under the Wages Attachment Act of 1895. According to a recent decision of the Court of Appeals, the men could have been imprisoned, if they had refused to pay, for a maximum term of one year, but it was not necessary to do this, and public opinion was not in favor of imprisonment for the offense."

This and other strikes in 1907 and 1908 "caused a widespread opinion among *employers* and the general public that the act should be amended chiefly for the sake of preventing strikes. "The laborers, as a class, were not enthusiastic about the matter, since the proposed amendments were designed to compel them to obey the law rather than to bring them any additional benefit." After having been debated for a year, a new law was passed, and went into effect January 1, 1909. This new law, though still compulsory, repeals some of the features of the previous legislation which were most obnoxious to the unions. Even this act, however, they found entirely unsatisfactory, and "during the year ending March 31, 1909, sixteen workers' unions, and a like number of employers' unions, had their registration cancelled for neglect, while two other unions formally cancelled their registration." This meant practically that these unions have withdrawn from the field of the act and expressed their disapproval of compulsory arbitration, even in its recently modified form. Not only have the unions been withdrawing, but, freed from its bondage, they began at once to win their most important strikes, indicating what its effect had been. Even the employees of the State have been striking, and successfully.

"The workers' position is embarrassing. The original act was passed for their benefit as well as to prevent strikes, but when it could no longer be used as a machine for raising wages, they were the first to rebel against it." There can be no doubt that our authors are correct, and that the working people are beginning to feel they have been trapped. In both New Zealand and Australia they have given their approval to an act which in actual practice may become more dangerous than any weapon that has ever been forged against them. The only possible way they could gain any advantage from it would be if they were able to elect the judge of the Arbitration Court, but, to obtain a political majority for this purpose, they would have to develop a broad social program which would appeal to at least a part of the agricul-

turists as well as to the working people, but here we turn to the considerations to be brought out in the next chapter.

Mr. Charles Edward Russell, as the result of two visits to Australasia, has very ably summed up the Socialist view of compulsory arbitration in *The Coming Nation*, of which he is joint editor. Mr. Russell says: —

"The thing is a failure, greatly to the surprise of many capable observers, and yet just such a result might have been expected from the beginning, and for two perfectly obvious reasons, both of which, strange to say, were universally overlooked.

"In the first place, the court was nominally composed of three persons, and really of one. That one was the judge appointed by the government.

"The representative of the employers voted every time for the employers; the representative of the unions voted every time for the unions; the judge alone decided, and might as well have constituted the whole court.

"At first the judge decided most of the cases in favor of the policy of increasing wages. Fine, again. Many wage scales ascended.

"But the judge, as a rule, did not like his job. He desired to get to the Supreme Court as rapidly as possible; to the Supreme Court where the honors were. A succession of judges went by. At last came one that agreed with the employers that wages were too high for the welfare of the country. This had long been a complaint of the manufacturers in particular, who were fond of pointing out how high wages discouraged the opening of new factories, and consequently the development of the country. This judge, being of the same opinion, apparently, began to decide the cases the other way.

"Then, of a sudden the second fatal defect in the system opened up.

"The men grew restless under the adverse decisions of the court. That raised a new question.

"How are you going to compel men to work when they do not wish to work under the conditions you provide?

"Nobody had thought of that."

Referring, then, to the failure to prevent the strike of the slaughterers against the law in 1907, or to punish them after they had forced their employers to terms, Mr. Russell gives the Socialist opinion of the legislation of 1908, passed to remedy this situation: —

"At the next session of Parliament it amended the law to meet these unexpected emergencies and find a way to compel men to work.

"To strike after a case had been referred to the court was now made a crime, punishable by a fine, and if the fine were not paid, the strikers' goods could be distrained and he could be imprisoned. Any labor union that ordered a strike or allowed its members to strike was made subject to a fine of $500. Outside persons or organizations that aided or abetted a strike were made subject to severe penalties.

"Fine, again. But suppose the labor unions should try to evade the law by withdrawing from registry under the act? *Government thought once more, and produced another amendment by which the penalties for striking were extended to all trades engaged in supplying a utility or a necessity, whether such trades were organized or not.*

"You could hardly surpass this for ingenuity. 'Supplying a necessity' would seem to cover about everything under the sun and to make striking impossible. There must be no more strikes.

"Sounds like home, doesn't it? To do away with strikes. You see the employing class, which all around the world gets what it wants and controls every government, had put itself back of the arbitration law. It had discovered that the law could be made to be a good thing, so it was at the dictation of this class that the amendments were passed. What the injunction judges do in America, or try to do, the law was to do in New Zealand.

"Except that not Judge Goff nor Judge Guy, nor any other injunction judge of our own happy clime, has dared to go quite so far as to declare that all striking everywhere is a crime to be punished with imprisonment.

"How are you going to compel men to work? Why, thus, said the government of New Zealand. Put them in jail if they do not like the terms of their employment."

Mr. Russell then gives an account of the miners' strike, above referred to, which he points out was ended by the labor department paying the miners' fines. He concludes: —

"Mr. Edward Tregear, a scholar and thinker, had filled for many years the place of chief secretary for labor. It is not a cabinet office, but comes next thereto. He is a wise person and a sincere friend of the worker, as he has shown on many occasions. As soon as he heard that the ministry actually purposed to imprison the miners because they did not like the terms of their employment, he went to the minister of labor and earnestly protested, protested with tears in his eyes, as the minister himself subsequently testified, begged, argued, and pleaded. No possible good could come from such rigor, and almost certainly it would precipitate grave disaster.

"To all this the minister was obdurate. Then Mr. Tregear said that he would resign; he would not retain his office and see men imprisoned for exercising their inalienable right of choice, whether they would or would not work under given conditions.

"Now Mr. Tregear was one of the most popular men in New Zealand, and his resignation under such conditions would raise a storm that no ministry would care to face. Hence the government was in a worse situation than ever. On one side it fronted a dangerous venture with the certainty of a tremendous handicap in the resignation of the chief secretary, and on the other hand was an acknowledgment that the arbitration law was a failure and could be violated with impunity.

"In this emergency decision was halted for a few hours while the government people consulted. Meantime, by quick and desperate efforts, the strike was ended, and the men went back to work.

"This left the fines unpaid. The labor department solved that difficulty and allowed the defeated government to make its escape from a hopeless situation by paying the miners' fines.

"To all intents and purposes it was the end of compulsory arbitration in New Zealand. Not nominally, for nominally the thing goes on as before; but actually. It is only by breaking our shins upon a fact that most of us ever learn anything; and the exalted ministry of New Zealand had broken its shins aplenty on a fact that might have been discerned from the start.

"If you are to have compulsory arbitration, you must compel one side as much as the other.

"But in the existing system of society, when you come to compelling the workers to accept arbitration's awards, you are doing nothing in the world except to compel them to work, and, however the thing may be disguised, compulsory work is chattel slavery, against which the civilized world revolts.

"This is the way the thing works out, and the only way it ever can work out. There can be no such thing as compulsory arbitration without this ultimate situation.

"If, therefore, any one in America believes in such a plan for the settlement of labor troubles, I invite the attention of such a one to this plain record.

"For my own part, years ago I was wont to blame the labor leaders of America because they steadfastly rejected compulsory arbitration, and I now perceive them to have been perfectly right. The thing is impossible." (3)

A somewhat similar act to the Australasian ones, though less stringent, has been introduced in Canada. The Canadian law, which is a compromise between compulsory arbitration and compulsory investigation, applies to mines, railways, and other public utilities. Strikes have been prevented, but let us see what benefits the employees have received. Whatever its effect on wages and hours, the law has the tendency to weaken the unions, which hitherto have been the only reliable means by which employees were able to advance their

condition. Not only does it make organization seem less necessary, but it takes the most powerful weapon of the union, the ability to call a sudden strike. If we add to this the unfavorable influence on public opinion in case the unions are not contented with the rewards, and the fact that the law works against the union shop, which is the basis of some unions, we can understand the ground of their hostility.

"The Canadian Labour Disputes Investigation Act" is especially interesting and important because it is serving as a model for a campaign to introduce legislation along similar lines into the United States. Already Mr. Victor S. Clark, the author of the study of the Australian Labour Movement, to which I have referred at the beginning of the chapter, has been sent by Mr. Roosevelt and Mr. Taft to investigate into the working of the act. Ex-President Charles W. Eliot of Harvard has also advocated strenuously and at some length a similar statute, and it has been made the basis for the campaign in Massachusetts and other states. Mr. Clark reported: "Under the conditions for which it was devised, the Canadian law, in spite of some setbacks, is useful legislation, and it promises more for the future than most measures — perhaps more than any other measure — for *promoting industrial peace by government intervention.*"

Here is the very keynote to compulsory arbitration, according to its opponents, whose whole attack is based on the fact that its primary purpose is not to improve the condition of the working people, but to promote "industrial peace by government intervention."

Mr. Clark concedes that "possibly workers do sacrifice something of influence in giving up sudden strikes," though he claims that they gain in other ways. "After such a law is once on the statute books, however, it usually remains, and in New Zealand, Australia, and Canada it has created a new public attitude toward industrial disputes. This attitude is the result of the idea — readily grasped and generally accepted when once clearly presented — that the *public* have an interest in industrial conflicts quite as immediate and important in its way as that of the conflicting parties. *If the American people have this truth vividly brought to their attention by a great strike, the hopeful example of the Canadian act seems likely, so far as the present experience shows, to prove a guiding star in their difficulties.*" (Italics mine.)

In the agitation that was made in behalf of a similar law

in Massachusetts, just exactly what is meant by the word "public" began to appear. It refers not only to the consumers of the article produced by the industry in which the strike occurs, but also to other dependent industries, to the merchants of the locality where the workmen live, and to the real estate interests. Here, then, are definite economic interests which are concerned primarily in the prevention of strikes and in the uninterrupted operation of the industry, and only in a secondary way in rates of wages. *It is not a disinterested and non-partisan public; it is not on the side of the employers nor on the side of the employees, but it is opposed to the most effective weapons the working people have yet found to advance their interests, namely, the strike and the boycott.*

It is said that if the workers lose the right to strike, the employers lose the right to lockout. It has been customary to set the lockout over against the strike as being of equal importance, but this is not the truth. Employers can discharge their workingmen one at a time when they are dissatisfied with a limited number; and they can often find a business protest for temporarily shutting down or restricting their output. To abolish strikes, then, is to take away the employees' chief means of offense or defense; while to pretend to abolish strikes *and lockouts* is to leave in the hands of the employers the ability to discharge or punish in other ways the men with whom they are dissatisfied.

When it was proposed to introduce the Canadian law in Massachusetts, no unionists of prominence indorsed it, but it was favored by a very large number of employers, while those employers who objected did so for widely scattered reasons. Mr. Clark is probably right in suggesting that, while such a law will not be enacted in the United States as things are now, it is very probable that it can be secured after some industrial crisis — and there is little doubt that President Eliot and perhaps also Mr. Roosevelt, for whom Mr. Clark was investigating, and many other influential public men, are expecting this time to arrive soon.

The attitude of a large minority of British unions and of a considerable part of the British Socialists is similar to that of the Canadian and Australian majority. When in 1907 the railway employees of Great Britain were for the first time sufficiently aroused and organized, and on the point of a national strike, a settlement was entered into through the efforts of Mr. Lloyd George and the Board of Trade (and it

is said with the assistance of King Edward) which involved an entirely new principle for that country. A board was constituted to settle this and future strikes of which the Master of Rolls and other British functionaries were the leading elements. Actually the workers consented for several years to leave in the hands of the judges over whose election and appointment they have only an indirect and partial, if indeed any, control, complete power over their industrial life. The executive of the Fabian Society issued a manifesto congratulating the government on this "progressive" settlement, though few prominent labor leaders were willing to give it their full indorsement. The Fabian manifesto said that the advance in wages which could be secured by the settlement "will undoubtedly have been secured on the trade-union program, through the trade-union organization, by the trade union's representatives, and finally, in the argument before the abritrator, by the ability of the trade union's secretary." But this settlement had nearly all the features of the Canadian law which I have just mentioned, and especially in failing to give any recognition to the unions, left the strongest possible weapon in the hands of their enemies. Nevertheless, more than a third of the members of the British Trade Union Congress voted since that time for a compulsory arbitration act, and British radicals like Percy Alden, M.P., to say nothing of conservatives, agitate for a law along New Zealand lines. The railway strike of 1911 has decreased the popularity of this proposal among unionists and Socialists, but has augmented it in still greater proportion among nearly all other classes. In the meanwhile, in spite of the employees' efforts, and external concessions by the employers, the power in the newest railway conciliation scheme lies also in the hands of the government (see Part III, Chapter V).

Statements by President Taft and other influential Americans lead us to believe it will be a very short period of years before similar legislation is applied to this country, in spite of the hostility of the unions, or perhaps with the consent of some of the weaker among them, which have little to gain by industrial warfare. While Secretary of War, Mr. Taft predicted a controversy between capital and labor which should decide once and for all how capital and labor should share the joint profits which they created. In this and many similar utterances there is foreshadowed the interference

of the State. Indeed, the settlement of the Pennsylvania coal strike in 1903 was a clear example of such interference, and there is no question that the precedents established will be followed up on the next occasion of the kind by some arrangement even less advantageous to employees who now almost universally feel, as the present demands of the miner's union show, that they got the worst of the former decision.

The railway and mining situations in Great Britain, and the demand for the government to take some measure to protect employees against the "trusts" in this country (to say nothing of the menace of a great coal strike), promise to make compulsory arbitration an issue of the immediate future. Mr. Roosevelt, who now proposes that the government should interfere between monopolies and their employees, is the very man who is responsible for the coal strike tribunal of 1903, which not only denounced sympathetic strike and secondary boycott, but failed to protect the men against discrimination on account of their unionism. Were he or any one like him President, the institution of government wage boards would be dreaded like the plague.

Similarly Mr. Winston Churchill, in Great Britain, recognizes the extreme seriousness of the situation. His position is ably summed up by the *Saturday Evening Post:* —

"Winston Churchill has propounded a capital-and-labor puzzle to his British constituents.

"To a modern state, he says in substance, railroad transportation is a necessity of life — and how literally true this is of England was shown in the general strike of last August, when the food supply in some localities ran down to only a few days' requirements. So the government cannot permit railroad transportation to be paralyzed indefinitely by a strike. It cannot sit by and see communities starve. A point will soon be reached where it must intervene and force resumption of transportation.

"Strikes, however, form one of the modern means of collective bargaining between employer and employees. They are, in fact, the workmen's final and most effective resource in driving a bargain. Denied the right to strike, labor unions would be so many wooden cannon at which employers could laugh. If the employer knew absolutely that the men could not strike, he might offer any terms he pleased. In wage bargaining the men would not stand on a level footing, but be bound and gagged.

"If, then, the government takes away, or seriously restricts, the right of the men to strike, isn't it bound to step into the breach and readjust the balance between them and the employer, by compelling

the employer to pay them fair wages? There can be no free bargaining if it is known that at a certain point the government will intervene on one side. Must it not, then, also be known that at a certain point the government will intervene on the other side and compel payment of adequate wages?

"Mr. Churchill carries his puzzle only that far. On our own account we add, How far will that leave us from regulation of wages as well as of rates by the government, and how far will that leave us from government ownership?" (4)

In a word, Mr. Churchill's remedy for the evils of "State Socialism" is more "State Socialism" — and undoubtedly there is an inevitable trend in that direction. But the government railway strikes of France, Austria, Italy, Hungary, and other countries ought to show him that his remedy, advantageous as it may be from many standpoints, is scarcely to be considered even as a first step towards the solution of the labor problem. As long as capitalists continue to control government, "State Socialism," on the contrary, makes the strike more necessary, more decisive, and invaluable, not only to employees, but to every class that suffers from the government or the economic system it supports.

The most representative of American Socialists, Eugene V. Debs, has given us an excellent characterization of this movement as it appears to most Socialists.

"Successful leaders are wise enough to follow the people. For instance, the following paragraph is to the point: —

" 'Ultimately I believe that this control of corporations should undoubtedly, directly or indirectly, extend to dealing with all questions connected with their treatment of their employees, including the wages, the hours of labor, and the like.'

"And what Socialist made himself ridiculous by such a foolish utterance? No Socialist at all; only a paragraph from his latest article on the trusts by Theodore Roosevelt. Five years ago, or when he was still in office and had the power, he would not have dared to make that statement. But he finds it politically safe and expedient to make it now. It is not at all a radical statement. On the contrary, it is simply the echo of E. H. Gary, that is to say, John Pierpont Morgan, president of all the trusts.

"Mr. Roosevelt now proposes that Bismarck attempted in Germany forty years ago to thwart the Socialist movement, and that is State Socialism, so called, which is in fact the most despotic and degrading form of capitalism.

"President Roosevelt, who is popularly supposed to be hostile to the trusts, is in truth their best friend. He would have the government, the capitalist government, of course, practically

operate the trusts and turn the profits over to their idle owners. This would mean release from responsibility and immunity of prosecution for the trust owners, *while at the same time the government would have to serve as strikebreaker for the trust owners*, and the armed forces of the government would be employed to keep the working class in subjection.

"If this were possible, it would mark the halfway ground between industrial despotism and industrial democracy. But it is not possible, at least it is possible only temporarily, long enough to demonstrate its failure. The expanding industrial forces now transforming society, realigning political parties, and reshaping the government itself cannot be fettered in any such artificial arrangement as Mr. Roosevelt proposes. These forces, with the rising and awakening working class in alliance with them, will sweep all such barriers from the track of evolution until finally they can find full expression in industrial freedom and social democracy.

"In this scheme of State Socialism, or rather State capitalism, Mr. Roosevelt fails to inform us how the idle owners of the trusts are to function except as profit absorbers and parasites. In that capacity they can certainly be dispensed with entirely and that is precisely what will happen when the evolution now in progress culminates in the reorganization of society." (5) (My italics.)

CHAPTER VI

AGRARIAN "STATE SOCIALISM" IN AUSTRALASIA

Australia and New Zealand are commonly taken as the most advanced of all countries in government ownership, labor reforms, and "State Socialism." Indeed they are often pictured as almost ideally governed, and the credulity with which such pictures are received shows the widespread popularity of "State Socialism."

The central principle of the Australian and New Zealand reforms is, however, not government ownership or compulsory arbitration, as commonly supposed, but a land policy. By means of a progressive or graduated land tax it is hoped to break up all large estates and to establish a large number of small proprietors. When it was said to Mr. Fisher, the new "Labour Party" Premier of Australia, that this policy was not Socialism, he replied laconically, "It is my kind of Socialism." (1)

The "State Socialism" of Australia and New Zealand is fundamentally agrarian; its real basis is a modernized effort to establish a nation of small farm owners and to promote their welfare.

Next in importance and closely connected with the policy of gradually bringing about the division of the land among small proprietors, is the policy of the government ownership of monopolies. Already New Zealand is in the banking business, and the Australian Labour Party proposes a national bank for Australia. National life and fire insurance are instituted in New Zealand; the same measures are proposed for Australia. Already many railroads are nationally owned, and it is proposed that others be nationalized. Already extensive irrigation projects have been undertaken; it is proposed that the policy should be carried out on a wider scale. But the Australian Labour Party is not fanatical upon this form of "State Socialism." It does not argue, like the British Independent Labour Party, that the civilization of a community can be measured by the extent of collective

ownership, for Australasia's experience has already shown the immediate and practical limits of this kind of a movement. New Zealand is already burdened with a very large national debt; Australia proposes that its debt shall be increased only for the purpose of building commercially profitable railways or irrigation schemes, etc., and not in any case for the purpose of national defense or for other investments not immediately remunerative.

The national debt, aside from that based on profit-making governmental undertakings, like railways, is to be reduced, and nationalization of other monopolies is not to be undertaken until new measures of taxation have become effective. These are a graduated land tax and an extension of the graduated income and inheritance taxes. (2)

The program concludes with vigorous measures for national defense. Australia is to own her navy (supported not by loans, but by taxation), and is to be as independent as practicable of Great Britain. She feels a need for military defense, but she does not propose to have a military caste, however small; the whole people is to be made military, the Labour Party stands for a citizen defense force and not for a professional army. Finally, Australia is to be kept for the white race, especially for British and other peoples that the present inhabitants consider desirable.

There remains that part of the program which has attracted the most attention, namely, the labor reforms: workingmen's insurance, an eight-hour day, and an increase of the powers of the compulsory arbitration courts. Already in fixing wages it has been necessary for the court to decide what is a fair profit to the employers, so profits are already to some degree being regulated. It has been found that prices and the cost of living are rising still more rapidly than wages; it is proposed that prices should also be regulated by withdrawing the protection of the customs tariff from those industries that charge an unduly high price.

I have mentioned the labor element of the program last, for the Australian Labour Party is a democratic rather than merely a labor movement. The Worker's Union, and the Sheep Shearer's Society of the Eastern States, enrolled from the first all classes of ranch employees, and "even common country storekeepers and small farmers." (3) Some of the miners' organizations have been built on similarly broad lines, and these two unions constitute the backbone of the

Labour Party. The original program of the New South Wales Labour Electoral League, which formed the nucleus of the Labour Party in 1891, proposed to bring together "all electors in favor of democratic and progressive legislation," and was nearly as broad as the present program; that is to say, it was by no means confined to labor reforms.

But are there any other features in the Australian situation, besides the dominating importance of the land question, that rob this program of its significance for the rest of the world? It cannot be denied that there are. In the first place, it is only this recent social reform movement that has begun to put New Zealand and Australia under real democratic government, and this democratization is scarcely yet complete, since the constitutions of some of the separate Australian States and Tasmania contain extremely undemocratic elements; while the federal government is dominated by a Supreme Court, as in the United States. Consequently it is only a few years in some of the States since such elementary democratic institutions as free schools were instituted. It is evident, on the other hand, that countries establishing democratic or semidemocratic institutions under the conditions prevailing in the world as late as 1890, when the great change took place in New Zealand, or during the decade, 1900–1910, when the political overturn gave Australia to the Labour Party, should be more advanced than France, Germany, Great Britain, or the United States, where the latest great overturn in the democratic direction occurred in each instance a generation or more ago.

So also Australia and New Zealand which, on the one hand, are still suffering from the disadvantage of having lived until recently under a system of large landed estates, on the other hand have the advantage of dealing with the land question in a period when the governments of these new countries are becoming rich enough, through their own enterprises, to exist independently of land sales, and when farmers are more willing to increase the power of their governments, both in order to protect themselves from the encroachments of capital and of labor, and directly to advance the interests of agriculture. The campaign to break up the large estates has kept the farmers engrossed in politics, and this has occurred in a period when industrial organization has made possible a whole program of "Constructive State Socialism." By taking up this program the farmers and

those who wished to become farmers have at once looked to their own interests and secured the political support of other small capitalists and even of a large part of the workingmen.

But working against the nationalization of the unearned increment, against the policy of leasing instead of selling the public land, central features of every advanced "State Socialist" policy, is the fact that the small farmers, daily becoming more numerous, hope that they might themselves reap this increment through private ownership. In no national legislation is it proposed to tax away this increment in *agricultural* land, which preponderates both in New Zealand and Australia. But, while in other countries the agricultural population is decreasing relatively to the whole, in New Zealand the settlement of the country by the small farmers has hitherto led it to increase, and the new legislation in Australia must soon have the same result. So, in spite of the favorable auspices, it seems that the climax of the "State Socialism," the transformation of the small farmer into a tenant of the State is not yet to be undertaken, either in the shape of land nationalization or in the taxing away of unearned increment. And while the Australian Labour Party as an organization favors nationalization, a large part of those who vote for this party do not, and its leaders have felt that to have advocated nationalization hitherto would have meant that they would have failed to gain control of the government. And in proportion as the new land tax creates new farmers, the prospects will be worse than they are to-day.

The existing land laws of New Zealand are extremely moderate steps in the direction of nationalization. In 1907, after the best land had been taken up, a system of 66-year leases was introduced, but only as a voluntary alternative to purchase. After 1908 the annual purchases of large estates were divided into small lots and leased for terms of 33 years, but this applies only to a relatively small amount of land. It was only in 1907 that the graduated land tax began to be enforced in a way automatically to break up the large estates as it had been expected to do, and it was only in 1910 that the new and more heavily graduated scale went into effect. And finally it was only in 1907 that large landowners were forbidden to purchase, even indirectly, government land. It has taken all these years even to discourage large estates effectively, to say nothing of nationalization.

"Some writers have predicted that the appetite for reform by taxation will grow, and that the taxation will be increased and the exemptions diminished until all the rent will be taken and the land practically confiscated, according to the proposals of Henry George. But the landless man, when he becomes a landholder, ceases to be a single taxer, and is strongly opposed to Socialism. The land legislation of New Zealand, although apparently Socialistic, is producing results directly opposed to Socialism by converting a lot of dissatisfied people into stanch upholders of private ownership of land and other forms of private property. The small farmers, then, are breaking away from their former allies, the working people of the towns, who now find themselves in the minority, but who are increasing in numbers and who will demand, sooner or later, a large share in the product of industry as the price of loyalty to the capitalistic system." (4)

Without land nationalization the process of nationalizing industry cannot be expected to proceed faster than it pays for itself — for we cannot reckon as part of the national profits the increased land values national enterprises bring about. Nor will capitalist collectivism at this stage proceed even this fast. Not only do the small taxpayers oppose the government going into debt, but as taxpayers they are responsible for all deficiencies, and they want only such governmental enterprises as both produce a surplus and a sufficient one to pay the deficits of the nonproductive departments of government. To-day only about one fifth of the taxpayers pay either land or inheritance taxes. But the increasing military expenditures and the greater difficulty of securing large sums by indirect taxation will increase this proportion. It is likely, then, that State enterprises which, under private capitalism, were used recklessly as aids to land speculation will now be required, as in Germany and other continental countries, to produce a surplus to relieve taxpayers. Private capitalism used the State for promoting the private interests of its directors, State capitalism uses it to produce profits for its shareholders, the small farmers, as taxpayers, or in the form of profits distributed among them as consumers. Only as the government begins to take a considerable share of that increased value in land which nearly every public undertaking brings about, will *all* wisely managed government enterprises produce such profits.

The advance of "State Socialism," though it has several other aspects, can be roughly measured by the number of government enterprises and employees. The railways,

telegraphs, and the few government-owned mines of New Zealand, have been calculated to employ about one eighth of the population, a greater proportion than in America or Great Britain, but scarcely greater than in Germany or France — and not a very great stride even towards "State Socialism." And it seems likely that the present proportion in New Zealand will remain for some time where it is. Government banking, steamships, bakeries, and the government monopoly of the sale of liquor and tobacco might not prove immediately profitable, and are less heard of than formerly.

Where "State Socialism" has proceeded such a little distance, the material benefits it promises to labor (though in a lesser proportion than to other classes) have not yet accrued. "It must be admitted," write Le Rossignol and Stewart, "that the benefits of land reform and other Liberal legislation have accrued chiefly to the owners of land and other forms of property, and the condition of the landless and propertyless wage earners has not been much improved." Indeed, the condition of the workers is little, if any, better than in America. Mr. Clark writes: "The general welfare of the working classes in Australasia does not differ widely from that in the United States. The hours of work are fewer in most occupations, but the wage per hour is less than in America. The cost of living is about the same in both countries. There appears to be as much poverty in the cities of New Zealand as in the cities of the same size in the United States, and as many people of large wealth." It is no doubt true, as these writers say, that, of the people classed as propertyless, "many are young, industrious, and well-paid wage earners; who, if they have health and good luck may yet acquire a competency" in this as in any other new country. Yet it is only to those who "have saved something," *i.e.* to property holders, that the State really lends a helping hand.

Even when New Zealand becomes an industrial country, the writers quoted calculate that "it should be possible for the party of property to attach to itself the more efficient among the working class, by giving them high wages, short hours, pleasant conditions of labor, opportunities for promotion, a chance to acquire property, insurance benefits, and *greater* advantages of every kind than they could gain under any form of Socialism. If this can be done, the Socialists will be in a hopeless minority."

Here we have in a few words the universal labor policy of "State Socialism." Labor reforms are to be given to the working class first, to encourage in them as long as possible the hope to rise; second, when this is no longer effective, to make the upper layers contented, and finally to "increase industrial efficiency," as these same writers say — but at no time to put the workers on a level with the property-owning classes.

Indeed, it is impossible to do more on a national scale, as these writers point out, for both capital and labor are international. If "State Socialism" were carried to the point of equalizing the share of labor, either immigration would be attracted until wages were lowered again, or capital would emigrate, or the nation would have to defend its exclusiveness by being prepared for war.

"It is hard to see how any country, whether Socialistic or individualistic in its industrial organization, can long keep its advantage over other countries without some restriction of immigration. A thoroughgoing experiment in collectivism, therefore, could not be made under favorable conditions in New Zealand or any other country, unless that country were *isolated* from the rest of the world, *or* unless the whole world made the same experiment at the same time."

As between comparative isolation possibly in the near future and world-wide or at least international Socialism, certainly many years ahead, the Australian Labour Party, under similar circumstances to that of New Zealand, has chosen to attempt comparative isolation. It does not yet propose to keep out immigrants, but it makes a beginning with all non-white races, and it stands for a policy of high protection and a larger army and navy. Naturally it does not even seek admission into the International Socialist Congress, where if any Socialist principle is more insisted upon than another it is Marx's declaration that the Socialists are to be distinguished from the other working class parties only by the fact that they represent the interests of the entire working class independently of nationality or of groups within the nation.

Moreover, the militarism necessary to enforce isolation may cost the nation, capitalists and workers alike, far more heavily than to leave their country open to trade and immigration. Indeed, it must lead, not to industrial democracy, or even to capitalistic progress, but to stagnation and reac-

tion. The policy of racial exclusion will not only increase the dangers of war, but it will bring little positive benefit to labor, even of a purely material and temporary kind, since the farming majority will not allow it to be extended to the white race. Instead of restricting immigration, the new government projects require a thicker settlement, and everything is being done to encourage settlers of means and agricultural experience, and we cannot question that the coming of white laborers will be encouraged when they are needed.

The size of the farms the government is promoting in New Zealand proves that the country is deliberately preparing for a class of landless agricultural laborers, and Australia is following the example. Since these new farms average something like two hundred acres, we must realize that as soon as they are under thorough cultivation they will require one or more farm laborers in each case, to be obtained chiefly from abroad, producing a community resting neither on "State Socialism" nor even on a pioneer basis of economic democracy and approximate equality of opportunity similar to that which prevailed during the period of free land in our Western States.

Unmistakable signs show that in New Zealand an agrarian oligarchy by no means friendly to labor has already established itself. Even the compulsory arbitration act which bears anything but heavily on employers in general, is not applied to agriculture. After two years of consideration it was decided in 1908 that the law should not apply on the ground that "it was impracticable to find any definite hours for the daily work of general farm hands," and that "the alleged grievances of the farm laborers were insufficient to justify interference with the whole farming industry of Canterbury" (the district included 7000 farms). Whatever we may think of the first justification, the second certainly is a curious piece of reasoning for a compulsory arbitration court, and must be taken simply to mean that the employing farmers are sufficiently powerful politically to escape the law. The working people very naturally protested against this "despotic proceeding," which denied such protection as the law gave to the largest section of workers in the Dominion.

What is the meaning, then, of the victory of a "Labour Party" in Australia? Chiefly that every citizen of Australia who has sufficient savings is to be given a chance to own a

farm. A large and prosperous community of farmers is to be built up by government aid. Even without "State Socialism" or labor reform the working people would share temporarily in this prosperity as they did to a large degree in that of the United States immediately after the Civil War, until the free land began to disappear. It was impossible to pay exceptionally low wages to a workingman who could enter into farming with a few months' notice.

The Labour Party hopes to use nationalization of monopolies and the compulsory regulation of wages to insure permanently to the working classes their share of the benefit of the new prosperity. How much farther such measures will go when the agricultural element again becomes dominant is the question. It is already evident that the Australian reform movement, like that of New Zealand, includes, or at least favors, the same class of employing farmers. The fact that a Labour Party is in the opposition in New Zealand, while in Australia a Labour Party has led in the reforms and now rules the country, should not blind us to the farmers' influence. The very terms of the graduated land tax and the value of the farms chosen for exemption show mathematically the influence, not alone of the small, but even the middle-sized farmers. Estates of less than $25,000 in value are exempt, and those valued at less than $50,000 are to be taxed less than one per cent. Such farms, as a rule, must have one or more laborers. Will these employees come in under the compulsory arbitration law? If they do, will they get much benefit? The experience of New Zealand and the present outlook in Australia do not lead us to expect that they will.

Many indications point to a coming realignment of parties such as was recently seen in New Zealand, when in 1909 it was decided to form an opposition Labour Party. And it is likely to come, as in New Zealand, when the large estates are well broken up and the agricultural element can govern or get all they want without the aid of the working people. Already the Australian Labour Party is getting ready for the issue. Its leaders have kept the proposed land nationalization in the background, because they believe it cannot yet obtain a majority. But it may be that the party itself is now ready to fight this issue out on a Socialist basis, even if, like the Socialist parties in Europe, such a decision promises to delay for a generation their control of the government.

If the party is ready, it has the machinery to bring its leaders to time, as it has done on previous occasions. For it already resembles the Socialist parties in Europe in this, that it makes all its candidates responsible to the party and not to their constituents. That is to say, while it does not represent the working people exclusively, it is a class organization standing for the interests of that group of classes which has joined its ranks, and for other classes of the community only in so far as their interests happen to be the same.

Already the majority of the Labour Party voters are undoubtedly working people. When it takes a definite position on the land question, favoring one-family farms and short leases or else coöperative, municipal, or national large-scale operation, and states clearly that it intends to use compulsory arbitration to advance wages indefinitely, including those of farm laborers, there is every probability that, having lost the support of the employing farmers, it will gradually take its place as a party of permanent opposition to capitalism, like the Socialist parties of Europe — until industry finally and decisively surpasses agriculture, and the industrial working class really becomes the most powerful element in society.

Space does not permit the tracing of the "State Socialist" tendency in other countries than Great Britain, the United States, and Australasia. Originally a brief chapter was here inserted showing the similar tendencies in Germany. This is now omitted, but the frequent reference to Germany later in dealing with the Socialist movement makes a brief statement of the German situation essential. For this purpose it will be sufficient to quote a few of the principal statements of the excellent summary and analysis by William C. Dreher entitled "The German Drift towards Socialism":

"The German Reichstag passed a law in May, 1910, for the regulation of the potash trade, a law which goes further *in the direction of Socialism* than any previous legislation in Germany. It assigns to each mine a certain percentage of the total production of the country, and lays a prohibitory tax upon what it produces in excess of this allotment. It fixes the maximum price for the product in the home market, and prohibits selling abroad at a lower price. A government bureau supervises the industry, sees that the prices and allotments are observed, examines new mines to determine their capacity, and readjusts allotments as new mines reach the producing stage. . . .

"But the radical features of the law are not completed in the foregoing description. The bill having reduced potash prices, the mine owners threatened to recoup themselves by reducing wages.

But the members of the Reichstag were not to be balked by such threats; they could legislate about wages just as easily as about prices and allotments. So they amended the bill by providing that if any owner should reduce wages without the consent of his employees, his allotment should be restricted in the corresponding proportion. . . .

"While the law is indeed decidedly Socialistic in tendency, it is not yet Socialism. It hedges private property about with sharper restrictions than would be thought justifiable in countries where, as in the United States, the creed of individualism is still vigorous; and yet it is, in effect, hardly more than a piece of social reform legislation, though a more radical one than we have hitherto seen. . . .

"In Germany, 'the individual withers' and the world of State and Society, with its multifarious demands upon him, 'is more and more.' This is, of course, a Socialistic tendency, but the substitute that the Germans are finding for unlimited competition is not radical Socialism, but organization. . . .

"The State, of course, takes hold of the individual life more broadly, with more systematic purpose. The individual's health is cared for, his house is inspected, his children are educated, he is insured against the worst vicissitudes of life, his savings are invested, his transportation of goods or persons is undertaken, his need to communicate with others by telegraph or telephone is met — all by the paternal State or city.

"Twenty-five years ago the Prussian government was spending only about $13,500 a year on trade schools; now it is spending above three million dollars on more than 1300 schools. . . .

"The Prussian State had also long been an extensive owner of coal, potash, salt, and iron mines. In 1907 a law was passed giving the State prior mining rights to all undiscovered coal deposits. In general, however, it must cede those rights to private parties on payment of a royalty; but the law makes an exception of 250 'maximum fields,' equal to about 205 square miles, in which the State itself will exercise its mining rights. It has recently reserved this amount of lands adjacent to the coal fields on the lower Rhine and in Silesia. The State has already about 80 square miles of coal lands in its hands, from which it is taking out about 10,000,000 tons of coal a year. Its success as a mine owner, however, appears to be less marked than as a railway proprietor; experienced business men even assert that the State's coal and iron mines would be operated at a loss if proper allowances were made for depreciation and amortization of capital, as must be done in the case of private companies. The State also derives comparatively small revenues from its forest and farming lands of some 830,000 acres, which were formerly the property of the Crown. . . .

"The most important State tax is that on *incomes*, which is in all cases graduated down to a very low rate on the smallest income; in Prussia there is no tax on incomes less than $214. The cities also

collect the bulk of their revenues from incomes, using the same classification and sliding scale as the State.

"A highly interesting innovation in taxation is the 'unearned increment' tax on land values, first adopted by Frankfort-on-the-Main in 1904, and already applied by over 300 German cities and towns. . . .

"The bill before the Reichstag [since become a law — W. E. W.] extends sick insurance to farm laborers and household servants, a change which will raise the burden of this system for employers from $24,000,000 to $36,000,000. The bill also provides for pensioning the widows and orphans of insured laborers at an estimated additional expense of about $17,000,000. . . .

"A better result of the insurance systems than the modest pensions and the indemnities that they pay is to be found in their excellent work for protecting health and prolonging life. Many offices have their own hospitals for the sick, and homes for the convalescent. . . .

"All these protective measures have already told effectively upon the death rate for tuberculous diseases. In the three years ending with 1908, deaths from pulmonary tuberculosis dropped from 226.6 to 192.12 per 100,000.

"The accident system has also had a powerful effect in stimulating among the physicians and surgeons the study of special ways and means for treating accident injuries, with reference to preserving intact the strength and efficiency of the patient. . . .

"Bismarck once, in a speech in the Reichstag, explicitly recognized the laborer's right to work. Some twenty German cities have given practical effect to his words by organizing insurance against nonemployment; and the governments of Bavaria and Baden have taken steps to encourage this movement. Under the systems adopted, the laborer pays the larger part of the insurance money, and the city the rest; in a few cases money has been given by private persons to assist the insurance." (5) [N.B. The word "Socialistic" is used by Mr. Dreher in the sense of "State Socialism," as opposed to what he calls "radical Socialism."]

CHAPTER VII

"EQUALITY OF OPPORTUNITY"

MANY reformers admit that no reforms can bring us towards democracy as long as class rule continues. Henry George, for example, recognizes that his great land reform, the government appropriation of rent for public purposes, is useless when the government itself is monopolized, "when political power passes into the hands of a class, and the rest of the community become merely tenants." (1) In precisely the same way every great "State Socialist" reform must fail to bring us a single step towards real democracy, as long as classes persist.

That strongly marked social classes do exist even in the United States is now admitted by Dr. Lyman Abbott, Andrew Carnegie, and by innumerable other, by no means Socialistic, observers.

"The average wage earner," says John Mitchell, "has made up his mind that he must remain a wage earner. He has given up the hope of a kingdom to come where he will himself be a capitalist." (2) This feeling is almost universally shared by manual wage earners, and very widely also by salaried brain workers. Large prizes still exist, and their influence is still considerable over the minds of young men. But, as was pointed out recently in an editorial of the *Saturday Evening Post*, they are "just out of reach," and the instances in which they actually materialize are "so relatively few as to be negligible." Even if these prizes were a hundred fold more numerous than they are, the children of the wage earners would still not have a tithe of the opportunity of the children of the well-to-do.

To-day in the country opportunities are no better than in the towns. The universal outcry for more farm labor can only mean that such laborers are becoming relatively fewer because they are giving up the hope that formerly kept them in the country, namely, that of becoming farm owners. Already Mr. George K. Holmes of the United States Bureau of Statistics estimates that in the chief agricultural section

of the country, the North Central States, a man must be rich before he can become a farmer, and so rapidly is this condition spreading to other sections that Mr. Holmes feels that the only hope of obtaining sufficient farm labor is to persuade the children of the farmers to remain on the farms.

"Fifty years ago," said *McClure's Magazine* in a recent announcement, which sums up some of the chief elements of the present situation, "we were a nation of independent farmers and small merchants. To-day we are a nation of corporation employees." There can be no question that we are seeing the formation in this country of very definitely marked economic and social classes such as have long prevailed in the older countries of Europe. And this class division explains *why the political democracies of such countries as France, Switzerland, the United States, and the British Colonies show no tendency to become real democracies.* Not only do classes defend every advantage and privilege that economic evolution brings them, but, what is more alarming, they utilize these advantages chiefly to give their children greater privileges still. Unequal opportunities visibly and inevitably breed more unequal opportunities.

The definite establishment of industrial capitalism, a century or more ago, and later the settlement of new countries, brought about a revolutionary advance towards equality of opportunity. But the further development of capitalism has been marked by steady retrogression. Yet nearly all capitalist statesmen, some of them honestly, insist that equality of opportunity is their goal, and that we are making or that we are about to make great strides in that direction. Not only is the establishment of equality of opportunity accepted as the aim that must underlie all our institutions, even by conservatives like President Taft, but it is agreed that it is a perfectly definite principle. Nobody claims that there is any vagueness about it, as there is said to be about the demand for political, economic, or social equality.

It may be that the economic positions in society occupied by men and women who have now reached maturity are already to some slight degree distributed according to relative fitness; and, even though this fitness is due, not to native superiority, but to unfair advantages and unequal opportunity, it may be that a general change for the better is here impossible until a new generation has appeared. But there is no reason, except the opposition of parents who want privileges for

their children, why every child in every civilized country to-day should not be guaranteed by the community an equal opportunity in public education and an *equal chance for promotion in the public or semi-public service,* which soon promises to employ a large part if not the majority of the community. *No Socialist can see any reason for continuing a single day the process of fastening the burdens of the future society beforehand on the children of the present generation of wage earners,* children as yet of entirely unknown and undeveloped powers and not yet irremediably shaped to serve in the subordinate rôles filled by their parents.

But the reformers other than the Socialists are not even working in this direction, and their claims that they are, can easily be disproved. Mr. John A. Hobson, for example, believes that the present British government is seeking to realize "equality of opportunity," which he defines as the effort "to give equal opportunities to all parts of the country and all classes of the people, and so to develop in the fullest and the farthest-sighted way the national resources." (3) But even the more or less democratic collectivism Mr. Hobson and other British Radicals advocate, if it stops short of a certain point, and its benefits go chiefly to the middle classes, may merely increase middle-class competition for better-paid positions, and so obviously *decrease* the *relative* opportunities of the masses, and make them *less equal* than they are to-day.

Edward Bernstein, the Socialist, says: "The number of the possessing classes is to-day not smaller, but larger. The enormous increase of social wealth is not accompanied by a decreasing number of large capitalists, but by an increasing number of capitalists of all degrees." Whether this is true or not, whether the well-to-do middle classes are gradually increasing in each generation, say, to 5, 10, or 15 per cent of the population, cannot be a matter of more than secondary importance to the overwhelming majority, the "non-possessing classes," that remain outside. Nobody denies that social evolution is going on even to-day. But the masses will probably not be willing to wait the necessary generations and centuries before present tendencies, should they chance to continue long enough (which is doubtful in view of the rapid formation of social castes), would bring the masses any considerable share of existing prosperity.

To secure anything approaching equality of opportunity,

the first and most necessary measure is to give equal educational facilities to all classes of the population. Yet the most radical of the non-Socialist educational reformers do not dare to hope at present even for a step in this direction. No man has more convincingly described what the first step towards a genuinely democratic education must be than Ex-President Charles W. Eliot of Harvard, perhaps our most influential representative of political as opposed to social democracy.

"Is it not plain," asks President Eliot, "that if the American people were all well-to-do they would multiply by four or five times the present average school expenditure per child and per year? That is, they would make the average expenditure per pupil for the whole school year in the United States from $60 to $100 for salaries and maintenance, instead of $17.36 as now. Is it not obvious that instead of providing in the public schools a teacher for forty or fifty pupils, they would provide a teacher for every ten or fifteen pupils?" (4)

The reform proposed by Dr. Eliot, if applied to all the twenty million children of school age in the United States, would mean the expenditure of two billion instead of three hundred and fifty million dollars per year on public education. Ex-President Eliot fully realizes the radical and democratic character of this proposed revolution in the public schools, and is correspondingly careful to support his demands at every point with facts. He shows, for instance, that while private schools expend for the tuition and general care of each pupil from two hundred to six hundred dollars a year, and not infrequently provide a teacher for every eight or ten pupils, the public school which has a teacher for every forty pupils is unusually fortunate.

Dr. Eliot says that while there has been great improvement in the first eight grades since 1870, progress is infinitely slower than it should be, and that the majority of children do not yet get beyond the eighth grade (the statistics for this country show that only one out of nineteen takes a secondary course). "Philanthropists, social philosophers, and friends of free institutions," he asks, "is that the fit educational outcome of a century of democracy in an undeveloped country of immense natural resources? Leaders and guides of the people, is that what you think just and safe? People of the United States, is that what you desire and intend?"

In order not only to bring existing public schools up to the

right standard, but to create new kinds of schools that are badly needed, the plan suggested by Dr. Eliot would take another billion or two. He advocates kindergartens and further development of the new subjects that have recently been added to the grammar school course; he opposes the specialization of the studies of children for their life work before the sixteenth or seventeenth year, favors complete development of the high school as well as the manual training, mechanics, art, the evening and the vacation schools, greater attention to physical education and development, and, finally, the greatest possible extension and development of our institutions of higher education. He also advocates newer reforms, such as the employment of skilled physicians in connection with the schools, the opening of public spaces, country parks, beaches, city squares, gardens, or parkways for the instruction of school children. He specifies in detail the improvements that are needed in school buildings, shows what is urgently demanded and is immediately practicable in the way of increasing the number of teachers, paying them better and giving them pensions, indicates the needed improvements in the administration of the school systems, urges the development of departmental instruction through several grades, and the addition of manual training to all the public schools along with a better instruction in music and drawing.

There are still other improvements in education which have already been tested and found to produce the most valuable results. Perhaps the most important ones besides those demanded by Dr. Eliot are the providing of free or cheap lunches for undernourished children, and the system, already widespread in England and the other countries, of furnishing scholarships to carry the brighter children of the impecunious classes through the college, high school, and technical courses. Even this policy of scholarships would lead us to full democracy in education only if by its means the child of the poorest individual had exactly the same opportunities as those of the richest. *It is not enough that a few children only should be so advanced; but that of impecunious children, who constitute 90 per cent of the population, a sufficient number should be advanced to fill 90 per cent of those positions, in industry, government, and society, which require a higher education.*

There is no doubt that this actual equality in the "battle of life" was the expectation and intention of those who settled

and built up the western part of the United States, as it has been that of all the democracies of new countries. But this reform alone would certainly require not one but several billion dollars a year; as much as all the other improvements mentioned by Dr. Eliot put together. We may estimate, then, that the application of the principle of democracy or equality of opportunity to education in accordance with the present national income, would require the immediate expenditure of three or four billion dollars on the nation's children of school age, or ten times the sum we now expend, and a corresponding increase as the wealth of the nation develops. This would be a considerable proportion of the nation's income, but not too much to spend on the children, who constitute nearly half the population and are at the age where the money spent is most productive.

Here is a program for the coming generation which would be indorsed by a very large part of the democrats of the past. But nothing could make it more clear that political democracy is bankrupt even in its new collective form, that it has no notion of the method by which its own ideals are to be obtained. For no reformer dreams that this perfectly sensible and practicable program will be carried out until there has been some revolutionary change in society. "I know that some people will say that it is impossible to increase public expenditure in the total, and therefore impossible to increase it for the schools," says Dr. Eliot. "I deny both allegations. Public expenditure has been greatly increased within the last thirty years, and so has school expenditure" (written in 1902). But Dr. Eliot doubtless realizes that what he advocates for the present moment, the expenditure of five times as much as we now invest in public schools, at the present rate of progress, might not be accomplished in a century, and that by that time society might well have attained a degree of development which would demand five or ten times as much again. Dr. Eliot is well aware of the opposition that will be made to his reform, but he has not given the slightest indication how it is to be overcome. The well-to-do usually feel obligated to pay for the private education of their own children, and even where public institutions are at their disposal they are forced to support these children through all the years of study. This is expensive, but this very expensiveness gives the children of the well-to-do a practical monopoly of the opportunities which

this education brings. How are they to be brought to favor, and, since they are the chief taxpayers, to *pay for* the extension of these same opportunities to ten times the number of children who now have them?

In the meanwhile Dr. Eliot himself seems to have become discouraged and to have abandoned his own ideal, for only seven years after writing the above he came to advocate the division of the whole national school system into three classes: that for the upper class, that for the middle class, and that for the masses of the people — and he even insisted that this division is democratic if the elevation of the pupil from one class to the other is made "easy." (5) Now democracy does not require that the advance of the child of the poor be made what is termed *easy*, but that he be given an *equal* opportunity with the child of the rich as far as all useful and necessary education is concerned. Democracy does not tolerate that in education the children of the poor should be started in at the bottom, while the children of the rich are started at the top.

Those few who do rise under such conditions only strengthen the position of the upper classes as against that of the lower. Tolstoi was right when he said that when an individual rises in this way he simply brings another recruit to the rulers from the ruled, and that the fact that this passage from one class to another does occasionally take place, and is not absolutely forbidden by law and custom as in India, does not mean that we have no castes. (6) Even in ancient Egypt, it was quite usual, as in the case of Joseph, to elevate slaves to the highest positions. This singling out and promotion of the very ablest among the lower classes may indeed be called the basis of every lasting caste system. All those societies that depended on a purely hereditary system have either degenerated or were quickly destroyed. If then a ruling class promotes from below a number sufficient only to provide for its own need of new abilities and new blood, its power to oppress, to protect its privileges, and to keep progress at the pace and in the direction that suits it will only be augmented — and universal equality of opportunity will be farther off than before. Doubtless the numbers "State Socialism" will take up from the masses and equip for higher positions will constantly increase. But neither will the opportunities of these few have been in any way equal to those of the higher classes, nor will even such opportunities be extended to any but an insignificant minority.

Nor does President Eliot's advocacy of class schools stand as an isolated phenomenon. Already in America the development of free secondary schools has been checked by the far more rapid growth of private institutions. The very classes of taxpayers who control city and other local governments and school boards are educating their own children privately, and thus have a double motive for resisting the further advance of school expenditure. As if the expense of upkeep during the period of education were not enough of a handicap, those few children of the wage earners who are brave enough to attempt to compete with the children of the middle classes are now subjected to the necessity of attending inferior schools or of traveling impracticable distances. The building of new high schools, for example, was most rapid in the Middle West in the decades 1880–1899, and in the Eastern States in the decade 1890–1900. But within a few years after 1900 the rate of increase had fallen in the Middle West to about one half, and in the East to less than one third, of what it formerly had been. (7) It might be thought that, the country being now well served with secondary schools, the rate of growth must diminish. This may be true of a part of the rural districts, but an examination of the situation or school reports of our large cities will show how far it is from being true there.

In Great Britain the public secondary schools for the most part and some of the primary schools, *though supported wholly or largely by public funds, charge a tuition fee.* The fact that a very small per cent of the children of the poor are given scholarships which relieve them of this fee only serves to strengthen the upper and middle classes, without in any appreciable degree depriving them of their privileged position. In London, for example, fees of from $20 to $40 are charged in the secondary schools, and their superintendents report that they are attended chiefly by the children of the "lower middle classes," salaried employees, clerks, and shopkeepers, with comparatively few of the children of the professional classes on the one hand or of the best-paid workingmen on the other. An organized campaign is now on foot in New York City also, among the taxpayers, to introduce a certain proportion of primary pay schools, for the frank purpose of separating the lower middle from the working classes, and to charge fees in all secondary schools so as to bring a new source of income and *decrease* the number

of students and the amounts spent on the schools. This in spite of the annual plea of Superintendent Maxwell for more secondary schools, more primary teachers, and primary school buildings. Instead of going in the direction indicated by Dr. Eliot and preparing to spend four or five times the present amount, there is a strong movement to spend less. And nothing so hastens this reactionary movement as the tendency, whether automatic or consciously stimulated, towards class (or caste) education — such as Dr. Eliot and so many other reformers now directly or indirectly encourage — usually under the cloak of industrial education.

The most anti-social aspects of capitalism, whether in its individualist or its collectivist form, are the grossly unequal educational and occupational privileges it gives the young. An examination of the better positions now being obtained by men and women not yet past middle age will show, let us say, that ten times as many prizes are going to persons who were given good educational opportunities as to those who were not. But as the children of those who can afford such opportunities are not a tenth as numerous as the children of the rest of the people, this would mean that the latter have only a *hundredth part* of the former's opportunities. Under this supposition, one tenth of the population secures ten elevenths of the positions for which a higher education is required. As a matter of fact, the existing inequality of opportunity is undoubtedly very much greater than this, and the unequal distribution of opportunities is visibly and rapidly becoming still less equal. In 1910, of nineteen million pupils of public and private schools in this country, only one million were securing a secondary, and less than a third of a million a higher, education. Here are some figures gathered by the Russell Sage Foundation in its recent survey of public school management. The report covers 386 of the larger cities of the Union. Out of every 100 children who enter the schools, 45 drop out before the sixth year; that is, before they have learned to read English. Only 25 of the remainder graduate and enter the high schools, and of these but 6 complete the course.

The expense of a superior education, including upkeep during the increasing number of years required, is rising many times more rapidly than the income of the average man. At the same time, both the wealth and the numbers of the well-to-do are increasing in greater proportion than those of the

rest of the people. While the better places get farther and farther out of the reach of the children of the masses, owing to the overcrowding of the professions by children of the well-to-do, the competition becomes ever keener, and the poor boy or girl who must struggle not only against this excessive competition, but also against his economic handicap, confronts an almost superhuman task.

It is obvious that this tendency cannot be reversed, no matter how rapidly the people's income is increased, unless it rises *more rapidly* than that of the well-to-do. And this, Socialists believe, has never happened except when the masses obtained political power and made full use of it *against* the class in control of industry and government.

No amount of material progress and no reorganization of industry or government which does not promise to equalize opportunity, — however rapid or even sensational it may be, —is of the first moment to the Socialists of the movement. Wages might increase 5 or 10 per cent every year, as profits increase to-day; hours might be shortened and the intensity of labor lessened; and yet the gulf between the classes might be growing wider than ever. If society is to progress toward industrial democracy, it is necessary that the people should fix their attention, not merely on the improvement of their own condition, but on their progress *when compared with that of the capitalist classes, i.e.* when measured by present-day civilization and the possibilities it affords.

No matter how fast wages increase, if profits increase faster, we are journeying not towards social democracy, but towards a caste society. Thus to insist that we must keep our eyes on the prosperity of others in order to measure our own seems like preaching envy or class hatred. But in social questions the laws of individual morality are often reversed. It is *the social duty* of every less prosperous class of citizens, their duty towards the whole of the coming generation as well as to their own children, to measure their own progress solely by a standard raised in accordance with the point in evolution that society has attained. What would have been comparative luxury a hundred years ago it is our duty to view as nothing less than a degrading and life-destroying poverty to-day.

Opportunity is not becoming equal. The tendency is in the opposite direction, and not all the reforms of "State Socialism" promise to counteract it. The *citizen owes it to*

society to ask of every proposed program of change, "Will it, within a reasonable period, bring equality of opportunity?" To rest satisfied with less — a so-called tendency of certain reforms in the right *direction* may be wholly illusory — is not only to abandon one's rights and those of one's children, but to rob society of the only possible assurance of the maximum of progress.

CHAPTER VIII

THE "FIRST STEP" TOWARDS SOCIALISM

"State Socialism" as I have described it will doubtless continue to be the guiding policy of governments during a large part, if not all, of the present generation. Capitalism, in this new collectivist form, must bring about extremely deep-seated and far-reaching changes in society. And every step that it takes in the nationalization of industry and the appropriation of land rent would also be a step in Socialism, *provided* the rents and profits so turned into the coffers of the State were not used entirely for the benefit either of industry or of the community as a whole, as it is now constituted, but were reserved in part *for the special benefit of the less wealthy, less educated, and less advantageously placed, so as gradually to equalize income, influence, and opportunity.*

But what, as matter of fact, are the ways in which the new revenues are likely to be used before the Socialists are either actually or practically in control of the government? First of all, they will be used for the further development of industry itself and of schemes which aid industry, as by affording cheaper credit, cheaper transportation, cheaper lumber, cheaper coal, etc., which will chiefly benefit the manufacturers, since all these raw materials and services are so much more largely used in industry than in private consumption.

Secondly, the new sources of government revenue will be used to relieve certain older forms of taxation. The very moderately graduated income and inheritance taxes which are now common, small capitalists have tolerated principally on the ground that the State is in absolute need of them for essential expenses. We may soon expect a period when the present rapid expansion of this form of taxation as well as other direct taxes on industry, building, corporations, etc., will be checked somewhat by the new revenues obtained from the profits of government enterprises and the taxation of ground values. Indirect taxation of the consuming public in general, through tariffs and internal revenue taxes, will also be

materially lightened. As soon as new and larger sources of income are created, the cry of the consumers for relief will be louder than ever, and since a large part of consumption is that of the capitalists in manufacture, the cry will be heard. This will mean lower prices. But in the long run salaries and wages accommodate themselves to prices, so that this reform, beneficial as it may be, cannot be accepted as meaning, for the masses, more than a merely temporary relief. A third form of tax reduction would be the special exemption of the poorer classes from even the smallest direct taxation. But as employers and wage boards, in fixing wages, will take this reduction into account, as well as the lower prices and rents, such exemptions will effect no great or lasting change in the division of the national income between capitalists and receivers of salaries and wages.

A third way in which the new and vastly increased incomes of the national and local governments can be expended is the communistic way, as in developing commercial and technical education, in protecting the public health, in building model tenements, in decreasing the cost of traveling for health or business, and in promoting all measures that are likely to increase industrial efficiency and profits without too great cost.

A fourth way in which the new revenue may be expended, before the Socialists are in actual or practical control, would be in somewhat increasing the wages and somewhat shortening the hours of the State and municipal employees, who will soon constitute a very large proportion of the community. Here again it is impossible to expect any but a Socialist government to go very far. As I have shown, it is to be questioned whether any capitalistic administration, however advanced, would increase real wages (wages measured by their purchasing power), except in so far as the higher wages will result in a corresponding or greater increase in efficiency, and so in the profits made from labor. And the same law applies to most other governmental (or private) expenditures on behalf of labor, whether in shortened hours, insurance, improved conditions, or any other form.

The very essence of capitalist collectivism is that the share of the total profits which goes to the ruling class should not be decreased, and if possible should be augmented. In spite of material improvements the economic gulf between the classes, during the period it dominates, will either remain as

it is, or become wider and deeper than before. On the ground of the health and ultimate working efficiency of the present and future generation, hours may be considerably shortened, and the labor of women and children considerably curtailed. Insurance against death, old age, sickness, and accident will doubtless be taken over by the government. Mothers who are unable to take care of their children will probably be pensioned, as now proposed in France, and many children will be publicly fed in school, as in a number of the British and Continental places. The most complete code of labor legislation is practically assured; for, as government ownership extends, the State will become to some extent the model employer.

A quarter of a century ago, especially in Great Britain and the United States, but also in other countries, the method of allaying discontent was to distract public attention from politics altogether by stimulating the chase after private wealth. But as private wealth is more and more difficult to attain, this policy is rapidly replaced by the very opposite tactics, to keep the people absorbed in the political chase after the material benefits of economic reform. For this purpose every effort is being used to stimulate political interest, to popularize the measures of the new State capitalism, to foster public movements in their behalf, and finally to grant the reforms, not as a new form of capitalism, but as "concessions to public opinion." At present it is only the most powerful of the large capitalists and the most radical of the small that have fully adapted themselves to the new policies. But this will cause no serious delay, for among policies, as elsewhere, the fittest are surely destined to survive.

Ten years ago it would have been held as highly improbable that we would enter into such a collectivist period in half a century. Already a large part of the present generation expect to see it in their lifetime. And the constantly accelerated developments of recent years justify the belief of many that we may find ourselves far advanced in "State Socialism" before another decade has passed.

The question that must now be answered by the statesman as opposed to the mere politician, by the publicist as opposed to the mere journalist, is, not how soon the program of "State Socialism" will be put into effect, but what is going to be the attitude of the masses towards it. A movement exists that is already expressing and organizing their discontent

with capitalism in whatever form. It promises to fill this function still more fully and vigorously in proportion as collectivist capitalism develops. I refer to the international revolutionary movement that finds its chief expression in the federated Socialist parties. The majority of the best-known spokesmen of this movement agree that social reform is advancing; yet most of them say, with Kautsky, that control of the capitalists over industry and government is advancing even more rapidly, partly by means of these very reforms, so that the *Machtverhaeltnisse*, or distribution of political and economic power between the various social classes, is even becoming less favorable to the masses than it was before. The one thing they feel is that no such capitalist society will ever be willing to ameliorate the condition of the non-capitalists to such a degree that the latter will get an increasing *proportion* of the products of industry or of the benefits of legislation, or an increased influence over government. The capitalists will never do anything to disturb radically the existing balance of power.

While Socialists have not always conceded that the capitalists will themselves undertake, without compulsion, large measures of political democracy and social reform, — even of the capitalistic variety, — nearly all of the most influential are now coming to base their whole policy on this now very evident tendency, and some have done so for many years past. For instance, it has been clear to many from the time of Karl Marx that it would be necessary for capitalist society itself to nationalize or municipalize businesses that become monopolized, without any reference to Socialism or the Socialists.

"These private monopolies have become unbearable," says Kautsky, "not simply for the wage workers, but for all classes of society who do not share in their ownership," and he adds that it is only the weakness of the bourgeois (the smaller capitalist) as opposed to capital (the large capitalist) that hinders him from taking effective action. Indeed, one of the chief respects in which history has pursued a somewhat different course from that expected by Marx has been in the failure of capitalist society to attempt *immediately* this solution of the trust problem through government ownership. Marx expected that this attempt would necessarily be made as soon as the monopolies reached an advanced state, and that the resulting economic revolution

would develop into a Socialist revolution. But this monopolistic period has come, the trusts are rapidly dominating the whole field of industry and government, and yet it seems improbable that they will be forced to any final compromise with the small capitalist investors and consumers for some years to come. In the meanwhile, no doubt, the process of nationalization will begin, but too late to fulfill Marx's expectation, for the large and small capitalists will have time to become better united, and their combined control over government will have had time to grow more secure than ever. The new partnership of capitalism and the State will, no doubt, represent the small capitalists as well as the large, but there is no sign that the working people will be able to take advantage of the coming transformation for any non-capitalist purpose. Nor did Marx expect national ownership to increase the relative strength of the workers *unless it was accompanied by a political revolution.*

Another vast capitalist reform predicted by Socialists since the Communist Manifesto (1847) is nationalization or municipalization of the ground rent or unearned increment of land. At first Kautsky and others were inclined to expect that nothing would be done in this direction until the working classes themselves achieved political power, but it has always been seen from the days of Marx that the industrial capitalists had no particular reason for wishing to be burdened with a parasitic class of landlords that weighed on their shoulders as much as on those of the rest of the people. Not only do industrial capitalists pay heavy rents to landlords, but the rent paid by the wage worker also has to be paid indirectly and in part by the industrial capitalist: "The quantity of wealth that a landlord can appropriate from the capitalist class becomes larger in proportion as the general demand for land increases, in proportion as population grows, in proportion as the capitalist class needs land, *i.e.* in proportion as the capitalist system of production expands. In proportion with all this, rent rises; that is to say, the aggregate amount of wealth increases which the landlord class can slice off — either directly or indirectly — from the surplus that would otherwise be grabbed by the capitalist class alone." (1)

The industrial capitalists, then, have very motive to put an end to this kind of parasitism, and to use the funds secured, through confiscatory taxation of the unearned increment of land, to lessen their own taxation, to nationalize

those fundamental industries that can only be made in this way to subserve the interests of the capitalist class as a whole (instead of some part of it merely), and to undertake through government those costly enterprises which are needed by all industry, but which give too slow returns to attract the capitalist investor.

This enormous reform, in land taxation, which alone would put into the hands of governments ultimately almost a third of the capital of modern nations, was considered by Marx, in all its early stages, as purely capitalistic, "*a Socialistically-fringed attempt to save the rule of capitalism, and to establish it in fact on a still larger foundation at present.*" (2) Indeed, I have shown in a previous chapter that radical reformers who advocated this single-tax idea, along with the nationalization and municipalization of monopolies, do so with the conscious purpose of reviving capitalism and making it more permanent, precisely as Marx says. The great Socialist wrote the above phrase in 1881 (in a recently published letter to Sorge of New York) after reading Henry George's "Progress and Poverty," which had just appeared. He calls attention to the fact that James Mill and other capitalistic economists had long before recommended that land rent should be paid to the State so as to serve as a substitute for taxes, and that he, himself, had advocated it in the Manifesto of 1847 — among *transitional measures.*

Marx says that he and Engels "inserted this appropriation of ground rent by the State among many other demands," which, as also stated in the Manifesto, "are self-contradictory and must be such of *necessity.*" He explains what he means by this in the same letter. In the very year of the Manifesto he had written (in his book against Proudhon) that this measure was "a frank statement of the hatred felt by the industrial capitalist for the landowner, who seems to him to be a useless, unnecessary member in the organism of Capitalist society." Marx demanded "the abolition of property in land, and the application of all land rents to public purposes," *not because this is in any sense the smallest installment of Socialism, but because it is a progressive capitalistic measure.* While it strengthens capitalism by removing "a useless, unnecessary member," and by placing it "on a still larger foundation than it has at the present," it also matures it and makes it ready for Socialism — ready, that is to say, *as soon as the working people capture the government and*

turn the capitalists out, but not a day sooner. (3) Until that time even the most grandiose reform is merely "a Socialistically-fringed attempt to save the rule of capitalism."

Other "transitional measures" mentioned by Marx and Engels in 1847, some of which had already been taken up as "Socialistically-fringed attempts to save the rule of capitalism" even before their death were: —

The heavily graduated income tax.
The abolition of inheritance.
A government bank with an exclusive monopoly.
A partial nationalization of factories.
(No doubt, the part they would select would be that operated by the trusts.)
Government cultivation of waste lands.

Here we have a program closely resembling that of "State capitalism." It omits the important labor legislation for increasing efficiency, since this was unprofitable under competitive and extra-governmental capitalism, and in Marx's time had not yet appeared; *e.g.* the minimum wage, a shorter working day, and workingmen's insurance. As Marx and Engels mention, however, the substitution of industrial education for child labor (one of the most important and typical of these reforms), they would surely have included other measures of the same order, had they been practicable and under discussion at the time.

There can be little doubt that Marx and Engels, in this early pronunciamento, were purposely ambiguous in their language. For example, they demand "the extension of factories and instruments of production owned by the state." This is plainly a conservatively capitalistic or a revolutionary Socialist measure entirely according to the degree to which, and the hands by which, it is carried out — and the same is evidently true of the appropriation of land rent and the abolition of inheritance. This is what Marx means when he says that every such measure is "self-contradictory and must be such of necessity." Up to a certain point they put capitalism on "a larger basis"; if carried beyond that, they may, *in the right hands,* become steps in Socialism.

Marx and Engels were neither able nor willing to lay out a program which would distinguish sharply between measures that would be transitional and those that would be Socialist sixty or seventy years after they wrote, but merely gave con-

crete illustrations of their policy; they stated explicitly that such reforms would vary from country to country, and only claimed for those they mentioned that they would be "pretty generally applicable." Yet, understood in the sense in which it was originally promulgated and afterwards explained, this early Socialist program still affords the most valuable key we have as to what Socialism is, if we view it on the side of its practical efforts rather than on that of abstract theories. Marx and Engels recognize that the measures I have mentioned must be acknowledged as "insufficient and untenable," because, though they involve "inroads on the rights of property," they do not go far enough to destroy capitalism and establish a Socialistic society. But they reassure their Socialistic critics by pointing out that these "insufficient" and "transitory" measures, "in the course of the movement, outstrip themselves, *necessitate further inroads on the old social order*, and are indispensable as a means of entirely revolutionizing the mode of production." (My italics.)

That is, "State Socialism" is indispensable as a basis for Socialism, indeed necessitates it, provided Socialists look upon "State Socialist" measures chiefly as transitory *means* "to raise the proletariat to the position of ruling class"; for this rise of the proletariat to the position of ruling class is necessarily "the *first step* in the revolution of the working class."

From the day of this first step the whole direction of social evolution would be altered. For, while the Socialists expect to utilize every reform of capitalist collectivism, and can only build on that foundation, their later policy would be diametrically opposed to it. A Socialist government would begin immediately an almost complete reversal of the statesmanship of "State Socialism." The first measure it would undertake would be to begin at once to increase wages *faster than the rate of increase of the total wealth of the community*. Secondly, within a few years, it would give to the masses of the population, according to their abilities, all the education needed to fill *from the ranks of the non-capitalistic classes* a proportion of all the most desirable and important positions in the community, corresponding to their numbers, and would see to it that they got these positions.

It is undoubtedly the opinion of the most representative figures of the international Socialist movement that there is not

the slightest possibility that any of the non-Socialist reformers of to-day or of the near future are following or will follow any such policy, or even take the slightest step in that direction; and that there is nothing Socialists can do to force such a policy on the capitalists until they are actually or practically in power. Society may continue to progress, but it is surely inconceivable to any close observer, as it is inconceivable to the Socialists, that the privileged classes will ever consent, without the most violent struggle, to a program which, viewed as a whole, would lead, *however gradually or indirectly*, to a more equitable distribution of wealth and political power.

PART II

THE POLITICS OF SOCIALISM

CHAPTER I

"STATE SOCIALISM" WITHIN THE MOVEMENT

THE Socialist movement must be judged by its acts, by the decisions Socialists have reached and the reasoning they have used as they have met concrete problems.

The Socialists themselves agree that first importance is to be attached, not to the theories of Socialist writers, but to the principles that have actually guided Socialist parties and their instructed representatives in capitalist legislatures. These and the proceedings of international and national congresses and the discussion that constantly goes on within each party, and not theoretical writings, give the only truthful and reliable impression of the movement.

In 1900 Wilhelm Liebknecht, who up to the time of his death was as influential as Bebel in the German Party, pointed out that those party members who disavowed Socialist principles in their *practical application* were far more dangerous to the movement than those who made wholesale theoretical assaults on the Socialist philosophy, and that political alliances with capitalist parties were far worse than the repudiation of the teachings of Karl Marx. In his well-known pamphlet *No Compromise* he showed that this fact had been recognized by the German Party from the beginning.

I have shown the Socialists' actual position through their attitude towards progressive capitalism. An equally concrete method of dealing with Socialist actualities is to portray the various tendencies *within* the movement. The Socialist position can never be clearly defined except by contrasting it with those policies that the movement has rejected or is in the process of rejecting to-day. Indeed, no Socialist policy can be viewed as at all settled or important unless it has proved itself "fit," by having survived struggles

either with its rivals outside or with its opponents inside the movement.

If we turn our attention to what is going on within the movement, we will at once be struck by a world-wide situation. "State Socialism" is not only becoming the policy of the leading capitalistic parties in many countries, but — in a modified form — it has also become the chief preoccupation of a large group among the Socialists. "Reformist" Socialists view most of the reforms of "State Socialism" as installments of Socialism, enacted by the capitalists in the hope of diverting attention from the rising Socialist movement.

To Marx, on the contrary, the first "step" in Socialism was the conquest of complete political power by the Socialists. "The proletariat," he wrote in the Communist Manifesto "will use *its political supremacy* to wrest, by degrees, all capital from the capitalists, to centralize all instruments of production in the hands of the State, *i.e. of the proletariat organized as the ruling class.*" (My italics.) Here is the antithesis both of "reformist" Socialism within the movement and of "State Socialism" without. The working people are *not* expected to gain more and more political power step by step and to use it as they go along. It is only *after* gaining full political *supremacy* by a revolution (peaceful or otherwise) that they are to socialize industry step by step. Marx and his successors do not advise the working people to concentrate their efforts on the centralization of the instruments of production in the hands of governments as they now are (capitalistic), but only *after* they have become completely transformed into the tools of the working people "organized as the ruling class," to use Marx's expression. (1)

The central idea of the "reformist" Socialists is, on the contrary, that before Socialism has captured any government, and even before it has become an imminent menace, it is necessary that Socialists should take the lead in the work of social reform, and should devote their energies very largely to this object. It is recognized that capitalistic or non-Socialist reformers have taken up many of the most urgent reforms and will take up more of them, and that being politically more powerful they are in a better position to put them into effect. But the "reformist" Socialists, far from allowing this fact to discourage them, allege it as the chief reason why they must also enter the field. The non-Socialist reformers,

they say, are engaged in a popular work, and the Socialists must go in, help to bring about the reforms, and claim part of the credit. They then propose to attribute whatever success they may have gained, not to the fact that they also have become reformers like the rest, but to the fact that they happen to be Socialists. The non-Socialist reformers, they say again, are gaining a valuable experience in government; the Socialists must go and do likewise. Reforms which were steps in capitalism thus become to them steps in Socialism. It is not the fashion of "reformists" to try to claim that they are very great steps — on the contrary, they usually belittle them, but it is believed that agitation for such reforms as capitalist governments allow, is the best way to gain the public ear, the best kind of political practice, the most fruitful mode of activity.

One of the leading American Socialist weeklies has made a very clear and typical statement of this policy: —

"*If we leave the field of achievement to the reformer, then it is going to be hard to persuade people that reform is not sufficient. If Socialists take every step forward as part of a general revolutionary program,* and never fail to point out that these things are but steps forward in a stairway that mean nothing save as they lead to a higher stage of society, then the Socialist movement will carry along with it all those who are fighting the class struggle. The hopelessness of reform as a goal will become apparent when its real position in social evolution is pointed out." (2)

The leading questions this proposed policy arouses will at once come to the reader's mind: Will the capitalist reformers in control of national governments allow the Socialist "reformists" to play the leading part in their own chosen field of effort? If people tend to be satisfied with reform, what difference does it make as to the ultimate political or social ideals of those who bring it about? If the steps taken by reformers and "reformists" are the same, by what alchemy can the latter transform them into parts of a revolutionary program?

Mr. Simons, nevertheless, presents this "reformism" as the proper policy for the American Party at its present stage: —

"It has become commonplace," he says, "to say that the Socialist movement of the United States has entered upon a new stage, and that with the coming of many local victories and not a few in State

and nation, Socialist activity must partake of the character of preparation for the control of society.

"Yet our propaganda has been slow to reflect this change. This is natural. For more than a generation the important thing was to advertise Socialism and to inculcate a few doctrinal truths. This naturally developed a literature based on broad assertions, sensational exposures, vigorous denunciations, and revival-like appeals that resulted in sectarian organization.

"It has been hard to break away from this stage. It is easier to make a propaganda of 'sound and fury' than of practical achievement. Once the phrases have been learned, it is much simpler to issue a manifesto than to organize a precinct. It always requires less effort to talk about a class struggle than to fight it; to defy the lightning of international class rule than to properly administer a township. Yet, if Socialism is inevitable, if the Socialist Party is soon to rule in State and nation, then it is of the highest importance that Socialists should know something of the forces with which they are going to deal; something of the lines of evolution which they are going to further; something of the government which they are going to administer; something of the task which they profess to be eager to accomplish."

It might seem that, after the first stage has been passed, the next promising way to carry Socialism forward, the way actually to "fight" the class struggle and to achieve something practical is, as Mr. Simons says, to talk less and to go in and "administer a township." Revolutionary Socialists agree that advertising, the teaching of a few basic doctrines, emotional appeals, and the criticism of present society have hitherto taken up the principal share of the Socialist agitation, and that all these together are not sufficient to enable Socialists to achieve their aim, or even to carry the movement much farther. They agree that activity is the best teacher and that the class struggle must be actually fought. But they propose other activities and feel that a whole intermediate stage of Socialist evolution, including the capture of national governments, lies between the Socialist agitation of the past and any administration of a township that can do anything to bring recruits to Socialism and not merely to "State Socialist" reform.

This is the view of the revolutionary majority of the international movement. But the "reformist" minority is both large and powerful, and since it draws far more recruits than does the revolutionary majority from the ranks of the book educated and capitalistic reformers, its spokesmen and writers

attract a disproportionately large share of attention in capitalistic and reform circles, and thus give rise to widespread misunderstanding as to the position of the majority.

Not only are both the more or less Socialistic parties in Great Britain and the Labour parties of the British colonies "reformist" to the extent that they are either entirely outside or practically independent of the international movement, but the parties of Belgium, Italy, and South Germany have, for a number of years, concentrated their attention almost exclusively on such reforms as the capitalist governments of their countries are likely to allow to be enacted — the dominant idea being to obtain all that can be obtained for the working classes at the present moment, even when, for this purpose, it becomes necessary to subordinate or to compromise entirely the plans and hopes of the future. And it is only within the last year or two that the revolutionary wing in these last-named countries has begun to grow rapidly again and promises to regain control.

There can be no doubt that Socialist "reformism" has become very widespread. President Gompers of the American Federation of Labor, who had every facility of meeting European Socialists and unionists on a recent tour, made some observations which are by no means without a certain foundation. (3) He says that he talked to these people about Socialism and, though they all knew "the litany, service, and invocation" and the Socialist text for the coming revolution, they preserved this knowledge for their speech making, while in conversation it all faded away into the misty realms of the imagination. "Positively," writes Mr. Gompers, "I never found one man in my trip ready to go further into constructive Socialism than to repeat perfunctorily its time-worn generalities. On the other hand, I met men whom I knew years ago, either personally or through correspondence or by their work, as active propagandists of the Socialists' theoretical creed, who are now devoting their energies to one or other of the practical forms of social betterment — trade unionism, coöperation, legal protection to the workers — and who could not be moved to speak of utopianism [Mr. Gompers's epithet for Socialism]." It is doubtless true, as Mr. Gompers says, that the individuals he questioned have practically abandoned their Socialism, even though they remain members of the Socialist parties. For if such activities as he mentions could be claimed as "Socialism,"

then there is very little public work an intelligent and honest workingman can undertake, no matter how conservative it may be, which is not to go by that name.

The chief characteristic of the reformists is, indeed, frankly to claim, either that all the capitalist-collectivist reforms of the period are Socialist in origin, or that they cannot be put into execution without Socialist aid, or that such reforms are enacted only as concessions, for fear that Socialism would otherwise sweep everything before it.

Rev. Carl D. Thompson, formerly a Socialist member of the Wisconsin Legislature, and now Town Clerk of Milwaukee, for example, claims Millerand as a Socialist minister, though the French Socialist Party agreed by an almost unanimous vote that he is not to be so considered, and attributes to this minister a whole series of reforms in which he was only a single factor among many others. Many important legislative changes which have taken place in Italy since 1900, Mr. Thompson accredits to the opportunist Socialist leader, Turati, with his handful of members of the chamber, though it is certain that even at the present moment the Socialists have not yet arrived at a position where they can claim that they are shaping governmental action as strongly as their Radical allies. Mr. Thompson states that the "Socialist Independent Labour Party" of Great Britain had thirty-four representatives in Parliament at a time when the larger non-Socialist Labour Party, which included it, had only this number. He claimed that a majority of this latter party were Socialists, when, as a matter of fact, only a minority were members of any Socialist party even in the ultra-moderate sense in which the term is employed in England, and he accredits all the chief reforms brought about by the Liberal government to this handful of "Socialists," including even the old age pensions which were almost unanimously favored by the old parties. (4) He even lists among his signs of the progress of Socialism the fact that, at the time of writing, fifty-nine governments owned their railways, while a large number had instituted postal savings banks.

The same tendency to claim everything good as Socialism is very common in Great Britain. Even the relatively advanced Socialist, Victor Grayson, avoids the question whether there is any social reform which is not Socialism, (5) and it seems to be the general position of British Socialists that every real reform is Socialism — more or less.

August Bebel, on the contrary, is quoted as saying, *"It is not a question of whether we achieve this or that; for us the principal thing is that we put forward certain claims which no other party can put forward."* The great German Socialist sees clearly that if Socialism is to distinguish itself from the other parties it must rest its claims solely on demands which are made exclusively by Socialists. This is what those who claim that every reform is Socialism, or is best promoted by Socialists, fail to see. By trying to make the word, "Socialism" mean everything, they inevitably make it mean nothing.

It is true that for a time the very advertisement of the word "Socialism," by this method, and even the widest and loosest use of Socialist phrases had the effect of making people think about Socialist principles. But this cannot be long continued before the public begins to ask questions concerning the exact meaning of such expressions as applied to everyday life. The Socialist paper, *Justice*, of London, urged that "the very suggestion that any of the Liberal members of Parliament were connected with the Socialist movement created a more profound impression than all they ever said or did." This is doubtless true, but when the novelty has once worn off of this situation it is what so-called Socialists do that alone will count.

For example, the leading reformist Socialist of Great Britain, Mr. J. R. MacDonald, wishes to persuade the Socialists of America to carry on "a propaganda of immediately practicable changes, justified and enriched by the fact that they are the realization of great ideals." (6) Such a reduction of the ideal to what is actually going on, or may be immediately brought about, makes it quite meaningless. Evidently the immediately practicable changes that Mr. MacDonald suggests are themselves his ideal, and what he calls the ideal consists rather of phrases and enthusiasms that are useful, chiefly, for the purpose of advertising his Party and creating enthusiasm for it.

The underlying motive of the "reformists" when they claim non-Socialist reforms as their own, and relegate practically all distinctively Socialist principles and methods to the vague and distant future, is undoubtedly their belief that reforms rather than Socialism appeal to the working class.

"The mass of workingmen will support the Socialist Party," a Socialist reformer wrote recently, "not because

they are being robbed under capitalism, but because they are made to understand that this party can be relied upon to advance certain measures which they know will benefit them and their families here and now.

"The constructive Socialist believes that the coöperative commonwealth will be realized, not by holding it up in contrast to capitalism, — but only by the working class fighting first for this thing, then for that thing, until private enterprise is undermined by its rewards being eaten up by taxes and its incentive removed by the inroads made upon profits."

The working people, that is, are not intelligent enough to realize that they are "robbed under capitalism," and are not getting their proportionate share of the increase of wealth, nor courageous enough to take up the fight to overthrow capitalism; they appreciate only small advances from day to day, and every step by which "private capitalism" is replaced by State action is such an advance, while these advances are to be secured chiefly through a Socialist Party. In a word, the Socialist Party is to ask support because it can accomplish more than other parties for social reform under capitalism, which at the present period means "State Socialism."

For while "reformist" Socialists are taking a position nearly identical with that of the non-Socialist reformers, the latter are coming to adopt a political policy almost identical with that of the reformist Socialists. I have noted that one of America's leading economists advises all reformers, whether they are Socialists or not, to join the Socialist Party. Since both "reformist" Socialists and "Socialistic" reformers are interested in labor legislation, public ownership, democratic political reforms, graduated taxation, and the governmental appropriation of the unearned increment in land, why should they not walk side by side for a very considerable distance behind "a somewhat red banner," and "without troubling themselves about the unlike goals" — as Professor John Bates Clark recommends? The phrases of Socialism have become so popular that their popularity constitutes its chief danger. At a time when so many professed anti-Socialists are agreeing with the New York *Independent* that, though it is easy to have too much Socialism, at least "we want *more*" than we have, it becomes exceedingly difficult for non-Socialists to learn what Socialism is and to distinguish it from innumerable reform movements.

Less than a decade ago the pros and cons of Socialism were much debated. Now it is usually only a question of Socialism sooner or later, more or less. Socialism a century or two hence, or in supposed installments of a fraction of a per cent, is an almost universally popular idea. For the Socialists this necessitates a revolutionary change in their tactics, literature, and habit of thought. They were formerly forced to fight those who could not find words strong enough to express their hostility; they are rapidly being compelled to give their chief attention to those who claim to be friends. The day of mere repression is drawing to a close, the day of cajolery is at hand.

Liebknecht saw what was happening years ago, and, in one of the most widely circulated pamphlets the Socialists have ever published (*No Compromise*), issued an impressive warning to the movement: —

"The enemy who comes to us with an open visor we face with a smile; to set our feet upon his neck is mere play for us. The stupidly brutal acts of violence of police politicians, the outrages of anti-Socialist laws, penitentiary bills — these only arouse feelings of pitying contempt; the enemy, however, that reaches out the hand to us for a political alliance, and intrudes himself upon us as a friend and a brother, — *him and him alone have we to fear.*

"Our fortress can withstand every assault — it cannot be stormed nor taken from us by siege — it can only fall *when we ourselves open the doors to the enemy and take him into our ranks as a fellow comrade.*"

"We shall almost never go right," says Liebknecht, "if we do what our enemies applaud." And we find, as a matter of fact, that the enemies of Socialism never fail to applaud any tendency of the party to compromise those acting principles that have brought it to the point it has now reached. For Liebknecht shows that the power which now causes a Socialist alliance to be sought after in some countries even by Socialism's most bitter enemies would never have arisen had the party not clung closely to its guiding principle, the policy of "no compromise."

There is no difficulty in showing, from the public life and opinion of our day, how widespread is this spirit of political compromise or opportunism; nor in proving that it enters into the conduct of many Socialists. Such an opposition to the effective application of broad and far-sighted plans to practical politics is especially common, for historical reasons, in Great Britain and the United States. In this

country it has been especially marked in Milwaukee from the earliest days of the Socialist movement there. In 1893 the *Milwaukee Vorwaerts* announced that "if you demand too much at one time you are likely not to get anything," and that "nothing more ought to be demanded but what is attainable at a given time and under given circumstances." (7) It will be noticed that this is a clear expression of a principle of action diametrically opposite to that adopted by the international movement as stated by Bebel and Liebknecht. Socialists are chiefly distinguished from the other parties by the fact that they concentrate their attention on demands beyond "what is attainable at a given time and under given circumstances." They might *attempt* to distinguish themselves by claiming that they stand for the *ultimate* goal of Socialism, though their immediate program is the same as that of other parties, but any politician can do that — as has been shown recently by the action of Briand, Millerand, Ferri, and other former Socialists in France and Italy — and the day seems near when hosts of politicians will follow their example.

Any static or dogmatic definition of Socialism, like any purely idealistic formulation, no matter how revolutionary or accurate it may be, necessarily invites purely opportunist methods. A widely accepted static definition declares that Socialism is "the collective ownership of the means of production and distribution under democratic management." As an ultimate ideal or a theory of social evolution, this is accepted also by many collectivist opponents of Socialism, and may soon be accepted generally. The chief possibility for a difference of opinion among most practical persons, whether Socialists or not, must come from the questions: How soon? By what means?

Evidently such a social revolution is to be achieved only by stages. What are these stages? Many are tempted to give the easy answer, "More and more collectivism and more and more democracy." But progress in political democracy, if it came first, might be accompanied by an artificial revivial of small-scale capitalism, and a new majority made up largely of contented farmer capitalists might put Socialism farther off than it is to-day. Similarly, if installments of collectivism came first, they might lead us in the direction of the Prussia of to-day. And finally, even a combination of democracy and collectivism, up to a certain point, might produce a majority composed in part of small

capitalists and favored government employees. Collectivist democracy completed or far advanced would insure the coming of Socialism. But a policy that merely gave us *more* collectivism plus *more* democracy, might carry us equally well either towards Socialism or in the opposite direction. The ultimate goal of present society does not give us a ready-made plan of action by a mathematical process of dividing its attainment into so many mechanical stages.

A very similar political shibboleth, often used by Party Socialists, is "Let the nation own the trusts." Let us assume that the constitution of this country were made as democratic as that of Australia or Switzerland, and the suffrage made absolutely universal (as to adults). Let us assume, moreover, that the "trusts," including railways, public service corporations, banks, mines, oil, and lumber interests, the steel-making and meat-packing industries, and the few other important businesses where monopolies are established, were owned and operated by governments of this character. Taken together with the social and labor reforms that would accompany such a régime, this would be "State Socialism," but it would not *necessarily* constitute even a *step towards* Socialism — and this for two reasons.

The industries mentioned employ probably less than a third of the population, and, even if we add other government employments, the total would be little more than a third. The majority of the community would still be divided among the owners or employees of the competitive manufacturing establishments, stores, farms, etc., — and the professional classes. With most of these the struggle of Capital and Labor would continue and, since they are in a majority, would be carried over into the field of government, setting the higher paid against the more poorly paid employees, as in the Prussia of to-day.

And, secondly, even if we supposed that a considerable part or all of the government employees received what they felt to be, on the whole, a fair treatment from the government, and if these, together with shopkeepers, farm owners, or lessees, and satisfied professional and salaried men, made up a majority, we would still be as far as ever from a social, economic, or industrial democracy. What we would have would be a class society, based on a purely political democracy, and economically, on a partly private (or individualist) and partly public (or collectivist) capitalism.

"Equal opportunities for all" would also mean Socialism. But equal opportunities for a limited number, no matter if that number be much larger than at present, may merely strengthen capitalism by drawing the more able of the workers away from their class and into the service of capitalism. Or opportunities *more* equal for all, without a complete equalization, may merely increase the competition of the lower classes for middle-class positions and so secure to the capitalists cheaper professional service. So-called steps towards equal opportunities, even if rapid enough to produce a very large surplus of trained applicants for whom capitalism fails to provide and so increase the army of malcontents, may simply delay the day of Socialism.

I have spoken of Socialists whose underlying object is opportunistic—to obtain immediate results in legislation no matter how unrelated they may be to Socialism. Others are impelled either by an inactive idealism, or by attachment to abstract dogma for its own sake. Their custom is in the one instance to make the doctrine so rigid that it has no immediate application, and in the other to "elevate the ideal" so high, to remove it so far into the future, that it is scarcely visible for the present-day purposes, and then to declare that present-day activity, even if theoretically subject to an ideal or a doctrine, must be guided also by quite other and "practical" principles, which are never clearly defined and sometimes are scarcely mentioned. Mr. Edmond Kelly, for instance, puts his "Collectivism Proper," or Socialism, so far into the future that he is forced to confess that it will be attained only "ultimately," or perhaps not at all, while "Partial Collectivism may prove to be the last stage consistent with human imperfection." (8) He acknowledges that this Partial Collectivism ("State Socialism") is not the ideal, and it is evident that his ideal is too far ahead or too rigid or theoretical, to have any connection with the ideals of the Socialist movement, which arise exclusively out of actual life.

This opportunism defends itself by an appeal to the "evolutionary" argument, that progress must necessarily be extremely slow. Progress in this view, like Darwin's variations, takes place a step at a time, and its steps are infinitesimally small. *The Worker* of Brisbane, Australia, says: "The complicated complaint from which society suffers can only be cured by the administration of *homeopathic*

doses. . . . Inculcate Socialism? Yes, but grab all you can to be going on with. Preach revolutionary thoughts? Yes, but rely on the ameliorative method. . . . The minds of men are of slow development, and we must be content, we fear, to accomplish our revolution piecemeal, bit by bit, till a point is come to when, by accumulative process, a series of small changes amounts to the Great Change. The most important revolutions are those that happen quietly without anything particularly noticeable seeming to occur."

What is a Great Change depends *entirely*, in the revolutionist's view, on how rapidly it is brought about, and "revolutionary thoughts" are empty abstractions unless accompanied by revolutionary methods. Once it is assumed that there is plenty of time, the difference between the conservative and the radical disappears. For even those who have the most to lose realize in these days the inevitability of "evolution." The radical is not he who looks forward to great changes after long periods of time, but he who will not tolerate unnecessary delay — who is unwilling to accept the so-called installments or ameliorations offered by the conservative and privileged (even when considerable) as being satisfactory or as necessarily contributing to his purpose at all. The radical spirit is rather that of John Stuart Mill, when he said, "When the object is to raise the permanent condition of a people, small means do not merely produce small effects; they produce no effect at all."

Some political standard and quantitative measure is as necessary to social progress as similar standards are necessary in other relations. If the political standard of the Socialists is so low as to regard social reform programs which on the whole are more helpful to the capitalists than to other classes — and therefore "produce no effect at all" as far as the Socialist purpose is concerned — as if they were *concessions*, then it follows naturally that the Socialists will be ready to pay a price for such concessions. They will not only view as a relative gain over the capitalists measures which are primarily aimed at advancing capitalist interests, but they will inevitably be ready at a price to relax to some extent the intensity of their opposition to other measures that are capitalistic and antipopular. For instance, if old age pensions are considered by the workers to be an epoch-making reform and a concession, they may be granted by the capitalists all the more readily. But if thus overvalued, advantage

will be taken of this feeling, and they will in all probability be accompanied by restrictions of the rights of labor organizations. On the other hand, if such pensions, however desirable, are considered as a reform which will result indirectly in great savings to the capitalist classes, to public and private charitable institutions, to employers, etc., then the Socialists will accept them and, if possible, hasten their enactment, — but, like the French, will refuse to pay for them out of their own pockets (even through indirect taxation, as the British workingmen were forced to do) and will allow them neither to be used as a cloak for reaction, nor as a substitute for more fundamental reforms.

In other words, a rational political standard would teach that a certain measure of political progress is normal in capitalist society as a result of the general increase of wealth and the general improvement in political and economic organization, especially now that the great change to State capitalism is taking place; while reforms of an entirely different character are needed if there is to be any relative advance of the political and economic power of the masses, any tendency that might lead in the course of a reasonable period of time to economic and social democracy.

"A new and fair division of the goods and rights of this world should be the main object of all those who conduct human affairs," said De Tocqueville. The economic progress and political reforms of this capitalistic age are doubtless bringing us nearer to the day when a new and fair division of goods and rights *can* take place, and they will make the great transformation easier when it comes, but this does not mean that in themselves they constitute even a first step in the new dispensation. That they do is denied by all the most representative Socialists from Marx to Bebel.

The most bitter opponents of Socialism, like its most thoroughgoing advocates, have come to see that the whole character of the movement has grown up from its unwillingness to compromise the aggressive tactics indispensable for the revolutionary changes it has in view, until it has become obvious that, *just as Socialism as a social movement is the opposite pole to State capitalism, so Socialism as a social method is the opposite pole to opportunism.*

CHAPTER II

"REFORMISM" IN FRANCE, ITALY, AND BELGIUM

THE Socialist parties in Italy, Belgium, and France, where "reformism" is strong, are progressing less rapidly than the Socialists of these countries had reason to expect, and far less rapidly than in other countries. It would seem that in these cases the same cause that drives the movement to abandon aggressive tactics also checks its numerical growth.

For example, it is a matter of principle among Socialists generally to contest every possible elected position and to nominate candidates in every possible district. The revolutionary French Socialist, Jules Guesde, even stated to the writer that if candidates could be run by the party in every district of France, and if the vote could in this way be increased, he would be willing to see the number of Socialists in Parliament reduced materially, even to a handful — the object being to teach Socialism everywhere, and to prepare for future victories by concentrating on a few promising districts rather than to make any effort to become a political factor, at the present moment. Similarly, August Bebel declared that he would prefer that in the elections of 1912 the Socialists should get 4,000,000 votes and 50 Reichstag members rather than 3,000,000 votes and 100 members. In the latter case, of course, the Socialist members would have been elected largely on the second ballot by the votes of non-Socialists.

The policy actually carried out in both Italy and France has of late been exactly the opposite to that recommended by Guesde and Bebel. In the elections of 1909, the Socialist Party of Italy put up 114 less candidates for Parliament than they had in the election of 1904, while the number of candidates nominated in France was 50 less in 1910 than it had been in 1906. The consequence was that the French Party received an increase of votes less absolutely than that gained by the conservative republicans and scarcely greater than that of the radicals, while in Italy the Socialists actually cast a smaller *percentage* of the total vote in 1909 than they did in 1904, while the party membership materially decreased.

This policy had a double result; it sent more Socialists to the Parliaments, in each case increasing the number of members by about 50 per cent; on the other hand, it helped materially those radical and rival parties most nearly related to the Socialists, for in many districts where the latter had withdrawn their candidates these parties necessarily received the Socialist vote. A vast field of agitation was practically deserted, and even when the agitation was carried on, the distinction between the Socialist Party and the parties it had favored, and which in turn favored it, became less marked, and the chances of the spread of Socialism in the future were correspondingly diminished.

In France it is this policy which has brought forward the so-called "independent Socialists" of the recent Briand ministry. Being neither Socialists nor "Radicals," they are in the best position to draw advantages from the "rapprochement" of these forces, and it was thus that Millerand came into the ministry in 1900, that Briand became prime minister in 1910, and Augagneur minister in 1911. These are among the most formidable opponents of the Socialist movement in France to-day. It will seem from this and many other instances that the opportunist policy which leads at first to a show of success, later results in a weakening of the immediate as well as the future possibilities of the movement.

The opportunist policy leads not only to an abandonment of Socialist principle, an outcome that can never be finally determined in any case, but sometimes to an actual betrayal or desertion, visible to all eyes, as, for instance, when Ferri left the movement in Italy, or Briand and Millerand in France. That such desertions must inevitably result from the looseness taught by "reformist" tactics is evident. Yet all through Briand's early political career, Jaurès was his intimate associate, and even after the former had forsaken the party, the latter confessed that, like the typical opportunist, he had still expected to find in Briand's introductory address as minister "reasons for hoping for the progress of social justice."

The career of Briand is typical. "One must understand how to manage principles," he had said in 1900 at the very time he was making the revolutionary declarations I shall quote (in favor of the general strike and against the army). Two years later when he made his first speech in the Chamber, the conservative "Temps" said that Briand was

"ministrable" ; that is, that he was good material for some future capitalistic ministry. Now Briand was making in this speech what appeared to be a very vigorous attack against the government and capitalism, but, like some prominent Socialists to-day, he had succeeded in doing it in such a way that he allowed the more far-seeing of the capitalistic enemy to understand clearly what his underlying principles were. (1)

At his first opportunity he became connected with the government, and justified this step on the ground of "his moral attitude," since he was the proposer of the famous bill for separating the Church and the State. He was immediately excluded from the party, since at the time of Millerand's similar step a few years before the party had reached the definite conclusion that Socialists should not be allowed to participate in their opponent's administrations.

When Briand became minister, and later (in 1909) prime minister, he did not fail at once to realize the worst fears of the Socialists, elevating military men and naval officers to the highest positions, and promoting that minister who had been most active in suppressing the post office strike to the head of the department of justice. So-called collectivist reforms that were introduced while he was minister, like the purchase of the Western Railway, were carried through, according to conservative Socialists like Jaurès, with a loss of 700,000,000 francs to the State. So that now Jaurès, who had done so much to forward Millerandism and Briandism felt obliged to propose a resolution condemning Briand and Millerand and Viviani as traitors who had allowed themselves to be used "for the purpose of 'capitalism.'"

"'Socialistic' ministers," says Rappoport, "have fallen below the level of progressive capitalistic governments. No 'Socialistic' minister has done near so much for democracy as honorable but narrow-minded democrats like Combes. 'Socialistic' ministers have before anything else sought the means of keeping themselves in office. In order to make people forget their past, they are compelled to give continuously new proofs of their zeal for the government."

In France, where strong radical, democratic, and "State Socialist" parties already exist, ready to absorb those who put reform before Socialism, the likelihood that such desertions will lead to any serious division of the party seems small, especially since the Toulouse Congress, when a platform was adopted unanimously. Of course, the leading factor in this

platform was Jaurès, who stands as strongly for a policy of unity and conciliation within the party as he has for an almost uninterrupted conciliation and coöperation with the more or less radical forces outside of it.

If Jaurès was able to get the French Party to adopt this unanimous program, it was because he is not the most extreme of reformists, and because he has hitherto placed party loyalty before everything. In the same way Bebel, voting on nearly every occasion with the revolutionists, is able to hold the German Party together because he is occasionally on the reformist side, as in a case to be mentioned below. Jaurès looks forward, for instance, to a whole series of "successful general strikes intervening at regular intervals," and even to the final use of a great revolutionary general strike, whenever it looks as if the capitalists can be finally overthrown and the government taken into Socialist hands — though he certainly considers that the day for such a strike is still many years off. Nor does he hesitate to extend the hand of Socialist fellowship to the most revolutionary Socialists and labor unionists of his country, though he says to them, "The more revolutionary you are, the more you must try to bring into the united movement not only a minority, but the whole working class." He says he is not against revolution, or the general strike, but that he is against "a caricature of the general strike and an abortive revolution."

It is only by actions, however, that men or parties may be judged, and though Jaurès has occasionally been found with the revolutionists, in most cases he acts with their rivals and opponents, the reformists, and in fact is the most eminent Socialist reformer the world has produced. No one will question that there are Socialists who are exclusively interested in reform at the present period, not because they are opposed to revolution, but because no greater movements are taking place at the present moment or likely to take place in the immediate future — and Jaurès may be one of these. But it is very difficult, even impossible, to distinguish by any external signs, between such persons and those for whom the idea of anything beyond the reforms of "State Socialism" is a mere ideal, which concerns almost exclusively the next or some future generation. Many of those who were formerly Jaurès's most intimate associates, like the ministers Briand and Millerand, the recent ministers Augagneur and Viviani, and many others, have deserted the Party and are

now proving to be its most dangerous opponents, while several other deputies, who are still members like Brousse, recently Mayor of Paris, are accused by a large part of the organization of taking a very similar position. Surely this shows that, even if Jaurès himself could be trusted and allowed to advocate principles and tactics so agreeable to the rivals and enemies of Socialism, there are certainly few other persons who can be safely left in such a compromising position.

In view of these great betrayals on the part of Jaurès's associates, the mere fact that his own position towards the Party has usually been correct in the end — after the majority have shown him just how far he can go — and will doubtless remain technically correct, becomes of entirely secondary importance. He has openly and repeatedly encouraged and aided those individuals and parties which later became the chief obstacles in the way of Socialist advance, as other Socialists had predicted. The result is, not that the Socialist Party has ceased to grow, but that a large part of the enthusiasm for Socialism, largely created by the party, has gone to elect so-called "Independent Socialists" to the Chamber and to elevate to the control of the government men like Briand, who, it was agreed by Socialists and anti-Socialists alike, was the most formidable enemy the Socialists have had for many years.

The program unanimously adopted by the French at the Congress of Toulouse must be viewed in the light of this internal situation. "The Socialist Party, the party of the working class and of the Social Revolution," it begins, "seeks the conquest of political power for the emancipation of the proletariat [working class] by the destruction of the capitalist régime and the suppression of classes." The goal of Socialism could not be more succinctly expressed than in these words: "The destruction of the capitalist régime and the suppression of classes." Any party that lives up to this preamble in letter and spirit can scarcely stray from the Socialist road.

"It is the party which is most essentially, most actively reformist," continues another section, "the only one which can push its action on to total reform; the only one which can give full effect to each working class demand; the only one which can make of each reform, of each victory, the starting point and basis of more extended demands and bolder

conquests. . . ." Here we have the plank on which Jaurès undoubtedly laid the greatest weight, and it was supported unanimously partly because of the necessity of party unity. For this is as much as to say that no reform will ever be brought to a point that wholly satisfies the working people except through a working class government. But it cannot be denied that there are certain changes of very great importance to the working people, like those mentioned in previous chapters, which are at the same time even more valuable to the capitalists, and would be carried out to the end even if there were no Socialists in existence. If the revolutionary wing of the French Party once conceded to capitalism itself this possibility of bringing about certain reforms, they would be in a position effectively to oppose the reformist tactics of Jaurès within the Party. By giving full credit to the semi-democratic and semi-capitalistic reform parties for certain measures, they would go as far as he does in the direction of conciliation and common sense in politics; by denying the possibility of the slightest coöperation with non-Socialists on other and *still more important questions*, they could constantly intensify the political conflict, and since Jaurès is a perpetual compromiser, put him in the minority in every contested vote within the party. By attacking the capitalists blindly and on all occasions they have created the necessity of a conciliator — the rôle that Jaurès so ably and effectively fills.

But, however friendly the Toulouse program may have seemed to Jaurès's reform tactics, it is not on that account any less explicit in its indorsement of revolutionary methods whenever the moment happens to be propitious. It states that the Socialist Party "continually reminds the proletariat [working class] by its propaganda that they will find salvation and entire freedom only in a collectivist and communist régime"; that "it carries on this propaganda in all places in order to raise everywhere the spirit of demand and of combat," and that "the Socialists not only indorse the general strike for use in economic struggles, but also for the purpose of finally absorbing capitalism."

"Like all exploited classes throughout history," it concludes, "the proletariat affirms its right to take recourse at certain moments to insurrectionary violence."

The Toulouse Congress showed, not the present position of the French Party or of the International, but the points

on which Socialist revolutionists and reformers, everywhere else at sword's point, can agree. The reformers do not object to promising the revolutionaries that they shall have their own way in the relatively rare crises when revolutionary means are used or contemplated. The revolutionaries are willing to allow the reformers to claim all the credit for all reforms beneficial to the workers that happen to be enacted. Neither gives up their first principle, whether it be revolution or reform, but in the matter of secondary importance, reform or revolution, each side tolerates in the party an attitude in diametrical opposition to its principles and the tactics it requires. Both do this doubtless in the belief that by this opportunism they will some day capture the whole party, and that a split may thus be avoided in the meanwhile.

Since the Toulouse Congress the divisions within the French Party have become much more acute. Briand's conduct in the great railway strike in 1911 is discussed below. Yet in spite of this experience of how much the government is ready to pay for railways and how little it is ready to do to their employees, Jaurès's followers at the Party Congresses of 1911 and 1912 stood again for the policy of nationalization, and Guesde was impelled to warn the party that Briand's "State Socialism" was the gravest danger to the movement.

Briand's positive achievements are also defended by Jaurès. The recent workingmen's pension law, unlike that of England, demands a direct contribution from the employees. Nevertheless, it contained some slight advantages, and of the seventy-five Socialist members of the Chamber of Deputies, only Guesde voted against it. Even when the Federation of Labor was conducting a campaign against registration to secure these "benefits," Jaurès's organ, *L'Humanité* took the other side. The working people, as usual, followed their unions. Less than 5 per cent registered; in Paris only 2.5 per cent, and in Brest 22 out of 10,000.

The experience with Millerand and Briand has made it impossible for Jaurès to tie the French Party to "reformism." But reformism has brought it about that the Party is often split in its votes in the Chamber of Deputies. In the Party Congresses, however, Jaurès is outvoted where a clear difference arises, an outcome he does his best to avoid. The Congress of 1911 (at St. Quentin) reaffirmed the international decision at Amsterdam which prevents the party going in for reform as a part of a non-

Socialist administration. It declared that "Socialists elected to office are the representatives of a party of fundamental and absolute opposition to the whole of the capitalist class, and to the State, its tool." And Vaillant said that since the Amsterdam Congress in 1904 the question of participation in capitalist ministries had ceased to exist in France.

It is true that Jaurès secured at this Congress, by a narrow majority, an indorsement of his policy of accepting the government pension offer. But the orthodox followers of Guesde and the revolutionary disciples of Hervé joined to secure its condemnation first by the Paris organization, and later by the National Council of the Party by the decisive vote of 87 to 51. This resolution which marks a great turning point in the French Party, is in part as follows: —

"The National Council declares that each time a labor question is to be decided, the Socialist Party should act in accord with the General Confederation of Labor."

As the Confederation has indorsed Socialism both as an end and as a means, few, if any, Socialist parties would object to this resolution. But the Confederation is also revolutionary, and this policy, if adhered to, marks an end to the influence of the "reformism" of Jaurès.

The precise objections to the government's insurance proposal are also significant. The National Council protested against the following features: —

(1) The compulsory contributions.
(2) The capitalization (of the fund).
(3) The ridiculous smallness of the pension.
(4) The age required to obtain the pension.
(5) The reëstablishment of workingmen's certificates.

Among the working people there is no doubt that the first feature was the chief cause of unpopularity. But Socialists know that, through indirect taxes or the automatic fall in wages or rise in prices, the same object of charging the bill to the workers may be reached. The capitalization refers to the investment and management of the large fund required by a capitalist government, thereby increasing its power. The last point has to do with the tendency to restrict the workers' liberty in return for the benefits granted — a tendency more visible with the pensions of the railway employees which were almost avowedly granted to sweeten the bitter pill of a law directed against their organizations.

The same orthodox and revolutionary elements in the Party

overthrew the Monis Ministry by refusing to vote for it with Jaurès and his followers. But this ministry, perhaps the most radical France has had, was in part a creation of Jaurès, who had hailed it with delight in his organ, *L'Humanité*. The fact that it only lived for three months and was overthrown by Socialists was another crushing blow to Jaurès. As it came simultaneously with his defeat in the National Council, it is highly improbable that the reformists will succeed soon, if ever, in regaining that majority in the movement which they held for a brief moment at the time of the St. Quentin Congress and during the first days of the Monis Ministry.

It is now in Belgium and Italy only that "reformism" is dominant and still threatens to fuse the Socialists with other parties. In the last election in Italy the Socialists generally fused with the Republicans and Radicals, while the Belgian Party has decided to allow the local political organizations to do this wherever they please in the elections of 1912.

In Belgium, Vandervelde, who has usually represented himself as an advocate of compromise between the two wings in international congresses, has now come out for a position more reformistic than that of Jaurès and only exceeded by the British "Labourites." He was one of the movers of the Amsterdam resolution (see Chapter VII), which he now declares merely repeated the previous one of Paris (1900) which, he says, merely "forbids an individual Socialist to take a part in a capitalist government without the consent of the Party." On the contrary, this Amsterdam resolution, as Vaillant says, forbids Socialist Parties to allow their members to become members of capitalist ministries except under the most extraordinary and critical circumstances. (2)

We are not surprised after this to hear Vandervelde say that the Belgian Party has not decided whether it will take part in a future Liberal government or not, because, though the occasion for this might occur this year (1912), he considers it too far off in the future for present consideration — surely a strange position for a Party that pretends to be interested in a future society. We are also prepared to hear from him that Socialists might be ready to accept representation in such a ministry, not in proportion to their numerical strength, or even their votes, but in proportion to the number of seats an unequal election law gives them in Parliament. Whether, when the question actually presents itself, the Party will follow Vandervelde is more than questionable.

In Italy "reformism" has reached its furthermost limit. When last year (1911) Bissolati was offered a place in the Giolitti Ministry he hesitated for weeks and was openly urged by a number of other Socialist deputies to accept. After consultations with Giolitti and the king he finally refused, giving as a pretext that, as minister, he would be forced to give some outward obeisance to monarchy, but really because such an action would split the Socialist Party and perhaps, also, because he might not be able altogether to support Giolitti on the one ground of the military elements of his budget. Far from condemning Bissolati, the group of Socialist deputies passed a resolution that expressed satisfaction with his conduct and even appointed him to speak in their name at the opening of the new Parliament. All the deputies save two then voted confidence in the new ministry and approbation of its program.

The opinion of the revolutionary majority of the international movement on this situation was reflected in the position of the revolutionaries of the two chief cities of the country, Milan and Rome. At the former city where they had a third of the delegates to the local Socialist committee they moved that the Socialist Party could neither authorize its deputies to represent it in a capitalist ministry or give that ministry its support, "except under conditions determined, not by Parliamentary artifices, but by the needs and mature political consciousness of the great mass of workers." At Rome two thirds of the Socialist delegates voted a resolution condemning the action of Bissolati as "the direct and logical consequence of the thought, program, and practical action of the reformist group," and reproved both the proposal of immediate participation in a capitalist government and "the theoretical encouragement of such a possibility" as being opposed to all sound and consistent Socialist activity.

The "reformists," led by Turati, were of the opinion merely that the time was not yet ripe for the action Bissolati had contemplated. But the grounds given in the resolution proposed by Turati on this occasion show that it was not on principle that he went even this far. He declared that "in the present condition of the organization and the present state of mind of the Party" a participation in the government which was "not imposed by a real popular movement, would profoundly weaken Socialist action, aggravating the already existing lack of harmony between purely parlia-

mentary action and the development of the political consciousness and the capacity for victory on the part of the great mass of the workers." (3) In other words, as in France, the working people, especially those in the unions, will not tolerate a further advance in the reformist direction, but Turati and Bissolati, like Jaurès and Vandervelde are striving to compromise, just as far as they will be allowed to do so. There is thus always a possibility of splits and desertions in these countries, but none that the party will abandon the revolutionary path.

The tactics of the Italian "reformists" were immensely clarified at the Congress of Modena (October, 1911). For the question of supporting a non-Socialist ministry and of participating in it was made still more acute by the government's war against Tripoli, while the Bissolati case above mentioned was also for the first time before a national Party Congress. Nearly all Socialists had opposed the war, as had also many non-Socialists — but after war was declared, the majority of the Socialist members of Parliament voted against the general twenty-four hours' strike that was finally declared as a demonstration against it. This majority had finally decided to support the strike only after it was declared by a *unanimous* vote of the executive of the Federation of Labor, and then its chief anxiety had been lest the strike go too far. The revolutionary minority in the parliamentary group, however, which had consisted of only two at the time of the Bissolati affair, was now increased to half a dozen of the thirty-odd members, while the revolutionary opposition to "reformism" in the Modena Congress, as a result of these two issues, rose to more than 40 per cent of the delegates.

At this Congress the reformists were divided into three groups, represented by Bissolati, Turati, and Modigliani. All agreed that it was necessary not only to vote for certain reforms — to this the revolutionists are agreed — but also at certain times to vote for the whole budget and to support the administration. Modigliani, however, declared (against Bissolati) that no Socialist could *ever* become a member of a capitalist ministry; Turati, that while this principle held true at the present stage of the movement, he would not bind himself as to the future; while Bissolati was unwilling to make any pledge on this question. As Bissolati did not propose, however, that the Socialists should take part in the present ministry *at the present moment*, this question was not

an immediate issue. What had to be decided was whether, in order to hasten and facilitate the introduction of universal suffrage and other social reforms, the government is to be supported at the present moment — when it is waging a war of colonial conquest to which all Socialists are opposed.

The resolution finally adopted by the Congress was drawn up by Turati and others who represented the views of the majority of reformists. While purely negative, it was quite clear, and the fact that it was finally accepted both by Bissolati and by Modigliani is highly significant. It concluded that "the Socialist group in Parliament ought not any longer to support the government *systematically* with their votes." It did not declare for any systematic *opposition* to the administration, even at the time when it is waging this war. It did not even forbid occasional support, and it left full discretion in the hands of the same parliamentary group whose policy I have been recording.

As a consequence the Italian Party at this juncture intentionally tolerated two contradictory policies. Turati declared: "We are in opposition unless in some exceptional case, in which some situation of extreme gravity might present itself." Rigola, who was one of the three spokesmen appointed for the less conservative reformists (with Turati and Modigliani) said: "We have been ministerialists for ten years, but little or nothing has been done for the proletariat. Some laws have been approved, but it is doubtful if they are due to us rather than to the exigencies of progress itself." In other words, Turati and Rigola thought there could be occasions for supporting capitalist ministries, though the present was not such an occasion; while the latter practically confessed that the policy had always been a failure in Italy. But in the face of all criticism Bissolati announced that he refused absolutely *to pass over to the opposition to the ministry of Giolitti.* Turati and his followers, now in control of the Party, might tolerate this position; the large and growing revolutionary minority would not. This could only mean that Socialist group in the Italian Parliament, like that of France, and even of Germany, would divide its votes on many vital matters, or at least that the minority would abstain from voting. Which could only mean that on many questions of the highest importance there was no longer one Socialist Party, but two. (4)

Turati himself wrote of the Modena Congress: —

"Only two tendencies were to be seen in the discussion and the voting; *two parties in their bases and principles:* the Socialist Party as a party of the working people, a class party, a party of political, economic, and social reorganization, and on the other side a bourgeois radical party as a completion of, and perhaps also as a center of new life force for, the sleeping and half moribund bourgeois democratic radicalism." (5) That is, the "reformist" Turati denied that there is anything Socialistic about Bissolati's "ultra-reformist" faction. To this Bissolati answered that compromise and the political collaboration of the working people with other classes, was not to be reserved, as Turati had said, for accidental and extraordinary cases, but was "the very essence of the reformist method." (6) The revolutionaries, of course, agree with Bissolati that, if the Socialists hold that their prime function is to work for reforms favored by a large part of the capitalists, compromises and the habit of fighting with the capitalists instead of against them are inevitable.

Turati now began to approach the revolutionaries, said that they had given up their dogmatism, immoderation, and justification of violence, and that he only differed from them now on questions of "more or less." The revolutionaries, however, have made no overtures to Turati, and Turati's overtures to the revolutionaries have so far been rejected. Turati's "reformism" seems to be less opportunistic than it was, but as long as he insists, as he does to-day, that it is only conditions that have changed and not his reformist tactics, that the revolutionaries are moving towards the reformists, the relation of the two factions is likely to remain as embittered as ever. Only if the revolutionaries continue to grow more powerful, until Turati is obliged still further to moderate his "reformist" principles and to abandon some of his tactics permanently, instead of saying, as he does now, that he lays them aside only temporarily, will there be any real unity in the Italian Socialist Party.

Within a few weeks after the Modena Congress, Turati had already initiated a movement in this direction when he persuaded the executive committee of the Party, after a bitter conflict, and by a majority of one (12 to 13), to enter definitely into opposition to the government, which in the meanwhile had given a new cause for offense by delaying on a military pretext the convocation of the Chamber of Deputies. (7)

Among the opportunist and ultra "reformists" who were still anxious to take no definite action, were such well-known men as Bissolati, Podrecca, Calda, and Ciotti. Bissolati deplored all agitation in criticism of the war except a demand for the convocation of the Chamber. Turati and others who had at last decided to go over definitely to the opposition, did so on entirely non-Socialist and capitalist grounds such as the expense of the war, the unprofitable nature of Tripoli as a colony, the aid the war gave to clericals and other reactionaries (elements opposed also by progressive capitalists), and the interference it caused with other reforms (favored also by progressive capitalists). Turati, indeed, was frank enough to say that he had Lloyd George's successful opposition to the Boer War as a model, and called the attention of his associates to the fact that Lloyd George became Minister (it will be remembered that Turati is not on the whole opposed to Socialists also becoming ministers — even in a capitalist cabinet). Even now it was only the revolutionary Musatti who pointed out the true Socialist moral of the situation, that failure of the non-Socialist democrats to stand by their principles and to oppose the war, ought to lead the party to separate from them, not only temporarily, but permanently, and to make impossible forever either the participation of the Socialists in any capitalist administration or even the support of such an administration in the Chamber of Deputies.

It was only when Bissolati secured a majority of the Socialist deputies, and this majority decided to *compel* the minority to accept Bissolati's neutral tactics as to the war and his readiness actively to support the war government at every point where that government was in need of support, that Turati rebelled and demanded that his minority, which announced itself as willing as a unit to obey the decisions of the Party Congress, should be recognized as its official representative in the Chamber. Turati's position was the same as before, but Bissolati's greater popularity among the voters, *including non-Socialists,* gave the latter control of the Parliamentary group, and forced the former to a declaration of war. The effect was to throw Turati and his followers into the arms of the revolutionaries, where they form a minority.

And thus the situation becomes similar to that in France. The reformist "leaders," Jaurès and Turati, do all that is possible to lead the Socialist Parties of the two countries in the opposite direction from that in which these organizations

are going. But though these "leaders" are turned in the direction of class conciliation, they are constantly being dragged backwards in the direction of class war. Unconsciously they are doing all they can to retard Socialism—short of leaving the movement. But as long as they consent to go with Socialism when they are unable to make Socialism go with them, their ability to retard the movement is strictly limited.

CHAPTER III

"LABORISM" IN GREAT BRITAIN

The British Socialist situation is almost as important internationally as the German. The organized workingmen of the world are indeed divided almost equally into two camps. Most of those of Australia, South Africa, and Canada, as well as a large majority in the United States, favor a Labour Party of the British type, and even the reformist Socialist leaders, Jaurès in France, Vandervelde in Belgium, and Turati in Italy, often take the British Party as model. On the other hand the majority of the *Socialists* everywhere outside of Great Britain, including the larger part of all the *working people* in every country of continental Europe, look towards the Socialist Party of Germany as their model, the political principles and tactics of which are diametrically opposed to those of the British Labour Party.

Far from opposing their Socialism to the "State Socialism" of the government, the British Socialists in general frankly admit that they also are "State Socialists," and seem not to realize that the increased power and industrial functions of the State may be used to the advantage of the privileged classes rather than to that of the masses. The Independent Labour Party even claims in its official literature that the "degree of civilization which a state has reached may almost be measured by the proportion of the national income which is spent collectively instead of individually." (1)

"Public ownership is Socialism," writes Mr. J. R. MacDonald, until lately Chairman of the Labour Party, (2) while Mr. Philip Snowden says that the first principle of Socialism is that the interests of the State stand over those of individuals. (3)

"I believe," says Mr. Keir Hardie, "the collectivist state to be a preliminary step to a communist state. I believe collectivism or State Socialism is the next stage of evolution towards the communist state." "Every class in a community," he said in this same speech, "approves and accepts Socialism up to the point at which its class interests are being

served." It would appear, then, that Mr. Hardie means by "Socialism" a program of reforms a part of which at least is to the benefit of every economic class. He contends only that this "Socialism" could never be "fully" established until the working class intelligently coöperate with other forces at work in bringing Socialism into being. (4)

"State Socialism with all its drawbacks, and these I frankly admit," said Mr. Hardie, "will prepare the way for free communism." Mr. Hardie considers it to be the chief business of Socialists in the present day to fight for "State Socialism," and is fully conscious that this forces him to the necessity of defending the present-day State, as, for instance, when he writes elsewhere, "It is not the State which holds you in bondage, it is the private monopoly of those means of life without which you cannot live." Private property and war and not the State Mr. Hardie believes to have been the "great enslavers" of past history as of the present day, apparently ignoring periods in which the State has maintained a governing class which consisted not so much of property owners as of State functionaries; to periods which may soon be repeated, when private property served merely as one instrument of an all-powerful State.

Mr. MacDonald still more closely restricts the word "Socialism" to the "State Socialist" or State capitalist period into which we are now entering. "Socialism," says MacDonald, "is the *next* stage in social growth," (5) and throughout his writings and policy leaves no doubt that he means the very next stage, the capitalist collectivism of which I have been speaking. The international brotherhood of the nations, which many Socialist thinkers feel is an indispensable condition for the establishment of anything like democratic Socialism, Mr. MacDonald expects only in the distant future (5), while the end of government based on force, which is also considered essential by the majority of Socialist writers, Mr. MacDonald postpones to "some far remote generation."(6) In other words, the position of the recent Chairman of the Labour Party is that what the world has hitherto known as Socialism can only be expected after a vast period of time, and his opinion accords with that of many bitter critics and opponents of the movement, who avoid a difficult controversy by admitting all Socialist arguments and merely asking for time — "Socialism, a century or two hence — but not now," — for all practical purposes an endless postponement.

Mr. MacDonald, who is not only a leader of the Labour Party, but also one of the chief organizers also of the leading Socialist Party of that country, has given us by far the fullest and most significant discussion of that party's policy. He says that an enlightened bourgeoisie will be just as likely to be Socialist as the working classes, and that therefore the class struggle is merely "a grandiloquent and aggressive figure of speech." (7) Struggle of some kind, he concedes, is necessary. But the more important form of struggle in present-day society, he says, is the trade rivalry between nations and not the rivalry between social classes. (8) Here at the outset is a complete reversal of the Socialist attitude. Socialists aim to put an end to this overshadowing of domestic by foreign problems, principally for the very reason that it aids the capitalists to obscure the class struggle — the foundation, the guiding principle, and the sole reason for the existence of the whole movement.

Mr. MacDonald claims further that a class struggle, far from uniting the working classes, can only divide them the more; in other words, that it works in exactly the opposite direction from that in which the international organization believes it works. The only "natural conflicts" in the present or future, within any given society, according to the spokesman of the Labour Party, represent, not the conflicting interests of certain economic classes, but the "conflicting views and temperaments" of individuals. (9) And the chief divisions of temperament and opinion, he says, will be between the world-old tendencies of action and inaction — a view which does not differ one iota from that of Mr. Roosevelt.

Mr. MacDonald asserts that "it is the *whole* of society which is developing towards Socialism," and adds, "The consistent exponent of the class struggle must, of course, repudiate these doctrines, but then the class struggle is far more akin to Radicalism than to Socialism." (10) I have already pointed out how the older Radicalism, or political democracy, no matter how individualistic and anti-Socialist it may be, is often, as Mr. MacDonald says, more akin to International Socialism than that kind of "State Socialism" or State capitalism Mr. MacDonald represents.

Mr. MacDonald typifies the majority of British Socialists also in his opposition to every modern form of democratic advance, such as the referendum and proportional represen-

tation. Far from being disturbed, as so many democratic writers are, because minorities are suppressed where there is no plan of proportional representation, he opposes the second ballot, which has been adopted in the majority of the countries of Continental Europe—and, in the form of direct primaries, also in the United States. The principal thing that the electors are to do, he says, is to "send a man to support or oppose a government."

Mr. MacDonald finds that there is quite a sufficiency of democracy when the elector can decide between two parties; and far from considering the members of Parliament as delegates, he feels that they fill the chief political rôle, while the people perform the entirely subordinate task either of approving or of disapproving what they have already done. Parliament "first of all initiates ideas, suggests aims and purposes, makes proposals, and educates the community in these things with a view to their becoming the ideals and aims of the community itself." (11)

While Mr. MacDonald continues to receive the confidence of the trade union party, including its Socialistic wing, the Trade Union Congress votes down proportional representation by a large majority, apparently because it does not desire its members to be constituted into a truly independent group in Parliament, does not care to work for any political principle however concrete, but prefers to take such share of the actual powers of government as the Liberal Party is disposed to grant. Proportional representation would send for the first time a few outright Socialists to Parliament, but the election returns demonstrate that the trade unionists, if more independent of the Liberals, would be fewer in number than at present. A part of the Socialist voters desire this result and, of course, believe it is their right. The majority of the trade unionists, however, who have won a certain modicum of authority in spite of the undemocratic constitution of their party, do not care to grant it—as possibly conflicting with the relatively conservative plans of "the aristocracy of labor."

The Fabian Society's "Report on Fabian Policy" says that the referendum, "in theory the most democratic of popular institutions, is in practice the most reactionary." (12) Mr. MacDonald refers to it as a "crude Eighteenth Century idea of democracy," "a form of Village Community government." (13) At the Conference of the Labour Party at

Leicester in 1911 he declared that it was "anti-democratic" and that if the government were to accept it, the Labour Party "would have to fight them tooth and nail at every step of that policy." As opposed to any plans for a more direct and more popular government, he defends the "dignity and authority" of Parliament and bespeaks the "reverence and deference" that the people ought to observe toward it.

Contrast with these views Mr. Hobson's presentation of the non-Socialist Radical doctrine. "Under a professed and real enthusiasm for a representative system," as opposed to direct government, Mr. Hobson finds that there is concealed "a deep-seated distrust of democracy." He acknowledges "that the natural conservatism of the masses of the people might be sufficient to retard some reforms." "But this is safer and better for democracy," he says, "than the alternative 'faking' of progress by pushing legislation ahead of the popular will. It is upon the whole far more profitable for reformers to be compelled to educate the people to a genuine acceptance of their reform than to 'work it' by some 'pull' or 'deal' inside a party machine." (14)

Mr. MacDonald not only puts a high value on British conservatism and a low one on the French Revolution and the Declaration of Independence, but declares that no change whatever in the mere structure of government can aid idealists and reformers in any way, and expects politics and parties to be much the same in the future as they are at the present moment. It is this attitude that Mr. Hobson has in mind when he protests that "the false pretense that democracy exists" in Great Britain has proved "the subtlest defense of privilege" — and that this has been the greatest cause of the waste of reform energy not only in England but also in France and in the United States. (15) Mr. MacDonald says explicitly, "The modern state in most civilized countries is democratic," and adds impatiently that "the remaining anomalies and imperfections" cannot prevent the people from obtaining their will. (16) To dismiss in so few words the monarchy, the restrictions of the suffrage, the unequal election districts and other shortcomings of political democracy in Great Britain, and to insist that the government is already democratic, is surely, as Mr. Hobson says, "the subtlest defense of privilege."

Mr. MacDonald comes out flatly with the statement that under what he calls the democratic parliamentary govern-

ment of Great Britain it is practically impossible to maintain a pure and simple Socialist Party. He says proudly that "nothing which the Labour Parties of Australia or Great Britain have ever done or tried to do under their constitutions departs in a hair's breadth from things which the Liberal and the Tory Parties in these countries do every day." (17) "Indeed, paradoxical though it may appear," he adds, "Socialism will be retarded by a Socialist Party which thinks it can do better than a Socialistic Party." (18)

The Independent Labour Party, indeed, has had a program of reform that is remarkably similar to that of Ministers Churchill and Lloyd George, and is indorsed in large part by capitalists — as for example, by Andrew Carnegie. The first measure of this program provided for a general eight-hour day. Mr. Carnegie protests that to put the Socialist label on this is as "frank burglary as was ever committed," and the trade union movement in general would agree with him. (19)

The second demand was for a "workable unemployment act." The Labour Party had previously introduced a more radical measure which very nearly received the support of a majority of Parliament. The third measure called for old-age pensions. Mr. Carnegie remarked of this with perfect justice: "Mr. MacDonald is here a day behind the fair. These have been established in Britain before this [Mr. Carnegie's "Problems of To-day"] appears in print, both political parties being favorable." It is true that the Labour party demands a somewhat more advanced measure than that to which Mr. Carnegie alludes, but there is no radical difference in principle, and the Labour Party accepted the present law as being a considerable installment of what they want.

Of the fourth point the "abolition of indirect taxation (and the gradual transference of all public burdens to unearned incomes)," Mr. Carnegie remarks that "we must read the bracketed works in the light of Mr. MacDonald's philosophy," and "that this is a consummation which cannot be reached (in Mr. MacDonald's words) 'until the organic structure of society has been completely altered.'" We have seen that Mr. Churchill also aims at the *ultimate* expropriation of the whole future unearned increment of the land,

The fifth point of the program was similar, — a series of land acts (aimed at the utlimate nationalization of the land).

The sixth point was the nationalization of the railroads

and mines. Mr. Carnegie reminds us that may conservative and reactionary governments own their own railroads. We have seen that Mr. Churchill is in favor of the same proposal. Mines also are now national property in several countries, and there is nothing particularly radical or unacceptable to well-informed conservatives in the proposal to nationalize them elsewhere.

The seventh demand of the program was for "democratic political reforms." While the Independent Labour Party and some of its leaders are in favor of a complete program of democratic reforms, I have shown that others like Mr. MacDonald are directly opposed even to many modern democratic measures already won in other countries.

It would certainly seem that the social reformers, Mr. Carnegie and others, have as much right as the Socialists to claim such measures as all those outlined.

Many of the other reforms proposed by the Independent Labour Party are such as might readily find acceptance among the most conservative. Indeed in urging the policy of afforestation, as one means of helping in the solution of the unemployed problem, the party actually uses the argument that even Prussia, Saxony, and many other highly capitalistic governments are undertaking it; though it does not mention the reactionary purposes of these governments, as for example, in Hungary where it is proposed to use the government's new army of labor to build up a scientific system of breaking strikes. Afforestation would add to the general wealth of the country in the future, and would be of considerable advantage to the capitalist classes, which makes the largest uses of lumber. Such a policy could undoubtedly be devised in carrying out this work as would absorb a considerable portion of the unemployed, and, since unemployment is a burden to the community and troublesome in many ways, besides tending to bring about a general deterioration of the efficiency of the working class, it is also to the ultimate interest of the employers to adopt it.

A leading organ of British Socialism, the *New Age*, went so far as to say of the Budget of 1910 that it was almost as good "as we should expect from a Socialist Chancellor in his first year of office," and said that if Mr. Philip Snowden, were Chancellor, the Budget would have been little different from what it was. (20) And it is true that the principles of the Budget as interpreted by Mr. Snowden only a few years

ago in his booklet, "The Socialist Budget," are in nearly every instance the same, though they are to be somewhat more widely applied in this Socialist scheme. Of course all Socialists would have desired a smaller portion of the Budget to go to Dreadnoughts and a larger part to education, though, in view of the popularity of the Navy, it is doubtful whether Labour Party Socialist's would materially cut naval expenditure (see Chapter V). It must also be noted that the Socialists are wholly opposed to the increase of indirect taxation on tobacco and liquor, some four fifths of which falls on the shoulders of the workingman. But aside from these points, there is more similarity than contrast between the two plans.

Mr. Snowden declared that it was the intention of the Socialists to make the rich poorer and the poor richer, that they were going to use the power of taxation for that purpose, and that the Budget marked the beginning of the new era, an opinion in strange contrast with Premier Asquith's statement *concerning the same Budget, for which he was responsible,* that one of its chief purposes was "*to increase the stability and security of property.*"

Indeed the word "Socialism" has been extended in England to include measures far less radical than those contemplated by the present government. The Fabian Society, the chief advocate of "municipal Socialism" and a professed and recognized Socialist organization, considers even the post office and factory legislation as being installments of Socialism, while the Labour Party would restrict the term to the nationalization or municipalization of industries — but the difference is not of very great importance. The latter class of reform will undoubtedly mark a revolution in the policy of the British government, but, as Kautsky says, this revolution may only serve "to Prussianize it," *i.e.* to introduce "State Socialism."

"The best government," says Mr. Webb, "is no longer 'that which governs least,' but 'that which can safely and advantageously administer most.'"

"Wherever rent and interest are being absorbed under public control for public purposes, wherever the collective organization of the community is being employed in place of individual efforts, wherever in the public interest, the free use of private land or capital is being further restrained — there one more step toward the complete realization of the Socialist Ideal is being taken."

The fight of the British Socialists has thus been directed from the first almost exclusively against the abstraction, "individualism," and not against the concrete thing, the capitalist class. John Morley had said that the early Liberals, Cobden, Bright, and others, were systematic and constructive, because they "surveyed society and institutions as a whole," because they "connected their advocacy of political and legal changes with theories of human nature," because they "considered the great art of government in connection with the character of man, his proper education, his potential capacities," and could explain "in the large dialect of a definite scheme what were their aims and whither they were going."

"Is there," Mr. Morley had asked, "any approach to such a body of systematic political thought in our own day?" Mr. Webb announced that the Fabians proposed to fill in this void. It was primarily system and order rather than any particular principle at which he aimed. The keynote of his system was to be opposition to the individualistic *theory* of the philosophic Liberals whom the Fabians hoped to succeed rather than opposition to the *principles* of capitalism, which lend themselves equally well either to an individualistic or to a collectivistic application.

Just as Mr. Webb is the leading publicist, so Mr. Bernard Shaw is the leading writer, among the exponents of Fabian Socialism. It is now more than twenty years since he also began idealizing the State, and he is doing the same thing to-day. "Who is the people? What is the people?" he asked in the Fabian Essays in 1889. "Tom we know, and Dick; also Harry; but solely and separately as individuals: as a trinity they have no existence. Who is their trustee, their guardian, their man of business, their manager, their secretary, even their stockholder? The Socialist is stopped dead at the threshold of practical action by this difficulty, until he bethinks himself of the State as the representative and trustee of the people." (21) It will be noticed that Mr. Shaw does not say the State may become the representative and trustee of the people, but that it *is* their representative. "Hegel," he continues, "expressly taught the conception of the perfect State, and his disciples saw that nothing in the nature of things made it possible or even difficult to make the existing State if not absolutely perfect, at least trustworthy;" and then, after alluding with the greatest brevity to the anti-democratic elements of the British government, Mr.

Shaw proceeds to develop at great length the wonderful possibilities of the existing State as the practically trustworthy trustee, guardian, man of business, manager, secretary, and stockholder *of the people.* (22)

Yet Mr. Shaw says that a Social-Democrat is one "who *desires* through democracy *to* gather the whole people into the State, so that the State may be trusted with the rent of the country, and finally with the land and capital and the organization of national industry." He reasons that the transition to Socialism through gradual extensions of democracy and State action had seriously begun forty-five years before the writing of the Essays, that is, in the middle of the nineteenth century (when scarcely one sixth of the adult male population of Great Britain had a vote, and when, through the unequal election districts, the country squires practically controlled the situation — W. E. W.). In Mr. Shaw's reasoning, as in that of many other British Socialists, a very little democracy goes a long way. (23)

Later Mr. Shaw repudiated democracy altogether, saying that despotism fails only for want of a capable benevolent despot, and that what we want nowadays is not a new or modern form of democracy, but only capable benevolent representatives. He shelved his hopes for the old ideal, government *by* the people, by opposing to it a new ideal of a very active and beneficent government *for* the people. In "Fabianism and the Empire" Shaw and his collaborators say frankly: "The nation makes no serious attempt to democratize its government, because its masses are still in so deplorable a condition that democracy, in the popular sense of government by the masses, is clearly contrary to common sense." (24)

Mr. H. G. Wells, long a member of the Fabian Society, has well summed up the character of what he calls this "opportunist Socialist group" which has done so much to shape the so-called British Socialism. He says that Mr. Sidney Webb was, during the first twenty years of his career "the prevailing Fabian."

"His insistence upon continuity pervaded the Society, was reechoed and intensified by others, and developed into something like a mania for achieving Socialism *without the overt change of any existing ruling body.* His impetus carried this reaction against the crude democratic idea to its extremest opposite. Then arose Webbites to caricature Webb. From saying that the unorganized people

cannot achieve Socialism, they passed to the implication that organization alone, without popular support, might achieve Socialism. Socialism was to arrive as it were *insidiously*.

"To some minds this new proposal had the charm of a schoolboy's first dark lantern. Socialism ceased to be an open revolution, and become a plot. Functions were to be shifted, quietly, unostentatiously, from the representative to the official he appointed; a bureaucracy was to slip into power through the mechanical difficulties of an administration by debating representatives; and since these officials would, by the nature of their positions, constitute a scientific government as distinguished from haphazard government, they would necessarily run the country on the lines of a *pretty distinctly undemocratic Socialism*.

"The process went even farther than secretiveness in its reaction from the *large rhetorical forms of revolutionary Socialism*. There arose even a *repudiation of 'principles' of action*, and a type of worker which proclaimed itself 'Opportunist-Socialist.' This conception of indifference to the forms of government, of accepting whatever governing bodies existed and using them to create officials and *'get something done,'* was at once immediately fruitful in many directions, and presently productive of many very grave difficulties in the path of advancing Socialism." (Italics mine.) (25)

Besides the obvious absurdities of such tactics, Mr. Wells points out that they ignored entirely that reconstruction of legislative and local government machinery which is very often an indispensable preliminary to Socialization. He is speaking of such Socialism when he says: —

"Socialism has concerned itself only with the material reorganization of Society and its social consequences, with economic changes and the reaction of these changes on administrative work; it has either accepted existing intellectual conditions and political institutions as beyond its control or assumed that they will obediently modify as economic and administrative necessity dictates. . . . Achieve your expropriation, said the early Fabians, get your network of skilled experts over the country, and your political forms, your public opinion, your collective soul will not trouble you." (26)

Here Mr. Wells shows that, while the practical difficulties of making collectivism serve all the people were ignored on the one hand, the first need of the people, political education, was neglected on the other. It is true that during the first few years of its existence the Fabian Society made a great and successful effort to educate public opinion in a Socialist direction, but soon its leading members deserted all such larger work, to support various administrative "experiments."

Mr. Wells referred to this same type of Socialism in his "Misery of Boots": —

"Let us be clear about one thing: that Socialism means revolution, and that it means a change in the everyday texture of life. It *may* be a very gradual change, but it will be a very complete one. You cannot change the world, and at the same time not change the world. You will find Socialists about, or at any rate men calling themselves Socialists, who will pretend that this is not so, who will assure you that some odd little jobbing about municipal gas and water is Socialism, and backstairs intervention between Conservative and Liberal the way to the millennium. . . . Socialism aims to change, not only the boots on people's feet, but the clothes they wear, the houses they inhabit, the work they do, the education they get, their places, their honors, and all their possessions. Socialism aims to make a new world out of the old. It can only be attained by the intelligent, outspoken, courageous resolve of a great multitude of men and women. You must get absolutely clear in your mind that Socialism means a *complete change, a break with history*, with much that is picturesque; *whole classes will vanish.* The world will be vastly different, with different sorts of houses, different sorts of people. All the different trades and industries will be changed, the medical profession will be carried on under different conditions, engineering, science, the theatrical trade, the clerical trade, schools, hotels, almost every trade, will have to undergo as complete an internal change as a caterpillar does when it becomes a moth . . . a change as profound as the abolition of private property in slaves would have been in ancient Rome or Athens." (The italics are mine.)

Here is the exact opposite view to that which has been taught for many years by the Fabian Society to no small audience of educated Englishmen (and Americans). For there are comparatively few who have neither read any of the Fabian pamphlets nor seen or read any of Bernard Shaw's plays in which the same standpoint is represented.

Mr. John A. Hobson classes the Socialist and non-Socialist reformers of Great Britain together as regards their opportunism. Though a Liberal himself, he objects that some Socialists are not radical enough, and that "the milder and more opportunist brand suffer from excessive vagueness." Of the prevailing tendency towards opportunism, Mr. Hobson writes: —

"This revolt against ideas is carried so far that able men have come seriously to look upon progress as a matter for the manipulation of wirepullers, something to be 'jobbed' in committee by

sophistical motions or other clever trickery. Great national issues really turn, according to this judgment, upon the arts of political management, the play of the adroit tactician and the complete canvasser. This is the 'work' that tells; elections, the sane expression of the national will, are won by these and by no other means.

"*Nowhere has this mechanical conception of progress worked more disastrously than in the movement towards Collectivism.* Suppose that the mechanism of reform were perfected, that each little clique of specialists and wirepullers were placed at its proper point in the machinery of public life, will this machinery grind out progress? Every student of industrial history knows that the application of a powerful 'motor' is of vastly greater importance than the invention of a special machine. Now, what provision is made for generating the motor power of progress in Collectivism? Will it come of its own accord? Our mechanical reformer apparently thinks it will. The attraction of some present obvious gain, the suppression of some scandalous abuse of monopolist power by a private company, some needed enlargement of existing Municipal or State enterprise by lateral expansion — such are the sole springs of action. In this way the Municipalization of public services, increased assertion of State control over mines, railways, and factories, the assumption under State control of large departments of transport trade, proceed without any recognition of the guidance of general principles. Everywhere the pressure of special concrete interests, nowhere the conscious play of organized human intelligence! . . .

"My object here is to justify the practical utility of 'theory' and 'principle' in the movement of Collectivism by showing that reformers who distrust the guidance of Utopia, or even the application of economic first principles, are not thrown back entirely upon that crude empiricism which insists that each case is to be judged separately and exclusively on its own individual merits."

Mr. Hobson then proposes his collectivist program, which he rightly considers to be not Socialist but Liberal merely — and we find it more collectivistic, radical, and democratic than that of many so-called Socialists. Moreover it expresses the views of a large and growing proportion of the present Liberal Party. Then he concludes as follows: —

"If practical workers for social and industrial reforms continue to ignore principles, the inevitable logic of events will nevertheless drive them along the path of Collectivism here indicated. But they will have to pay the price which shortsighted empiricism always pays; with slow, hesitant, and staggering steps, with innumerable false starts and blackslidings, they will move in the dark along an unseen track towards an unseen goal. Social development may be conscious or unconscious. It has been mostly unconscious in the past, and therefore slow, wasteful, and dangerous. If we desire it

to be swifter, safer, and more effective in the future, it must become the conscious expression of the trained and organized will of a people not despising theory as unpractical, but using it to furnish economy in action." (27)

Practically all "State Socialists" hold a similar view to that of Shaw and Webb. Mr. Wells even, in his "First and Last Things," has a lengthy attack on what he calls democracy, when he tells us that its true name is "insubordination," and that it is base because "it dreams that its leaders are its delegates." His view of democracy is strictly consistent with his attitude toward the common man, whom he regards as "a gregarious animal, collectively rather like a sheep, emotional, hasty, and shallow." (28) Democracy can only mean, Mr. Wells concludes, that power will be put into the hands of "rich newspaper proprietors, advertising producers, and the energetic wealthy generally, as the source flooding the collective mind freely with the suggestions on which it acts."

The *New Age*, representing the younger Fabians, also despairs of democracy and advocates compromise, because "the democratic party have failed so far to be indorsed and inforced by popular consent." It acknowledges that the power of the Crown is "great and even temporarily overwhelming," but discourages opposition to monarchy for the reason that monarchy rests on the ignorance and weakness of the people and not on sheer physical coercion. (29) The *New Age* opposes those democratic proposals, the referendum and proportional representation, considers that the representative may so thoroughly embody the ideals and interests of the community as to become "a spiritual sum of them all," and admits that this ideal of a "really representative body of men" might be brought about under an extremely undemocratic franchise. (30) "Outside of a parish or hamlet the Referendum," it says, "is impossible. To an Empire it is fatal." (31) And finally, this Socialist organ is perfectly ready to grant another fifty million pounds for the navy, provided the money is drawn from the rich, as it finds that "a good, thumping provision for an increased navy would do a great deal to sweeten a drastic budget for the rich, as well as strengthen the appeal of the party which professes to be advancing the cause of the poor." Imperialism and militarism, which in most countries constitute the chief form in which capitalism is being fought by Socialists, are actually

considered as of secondary importance, on the ground that through acquiescing in them it becomes possible to hasten a few reforms, such as have already been granted by the capitalists of several other countries without any Socialist surrender and even without Socialist pressure of any kind.

The recent appeal of the *New Age*, for "a hundred gentlemen of ability" to save England, its regret that no truly intelligent and benevolent "governing class" or "Platonic guardians" are to be found, and its weekly disparagement of democracy do not offer much promise that it will soon turn in the radical direction. On the contrary it predicts that the firm possession of political power by the wealthy classes is foredoomed to result, as in the Roman Empire, in the creation of two main classes, each of which must become corrupt, "the one by wealth and the other by poverty," and that finally the latter must become incapable of corporate resistance. The familiar and scientifically demonstrated fact of the physical and moral degeneration of a considerable part of the British working people doubtless suggests to many persons such pessimistic conclusions. "It is hopeless in our view," the *New Age* concludes, "to expect that the poor and ignorant, however desperate and however numerous, will ever succeed in displacing their wealthy rulers. No slave revolt in the history of the world has ever succeeded by its own power. In these days, moreover, the chances of success are even smaller. One machine gun is equal to a mob." (32)

Indeed the distrust of democracy is so universal among British Socialists that Belloc, Chesterton and other Liberals accuse them plausibly, but unjustly, of actually representing an aristocratic standpoint. In an article entitled "Why I Am Not A Socialist," Mr. Chesterton expresses a belief, which he says is almost unknown among the Socialists of England, namely, a belief "in the masses of the common people." (33) Mr. Belloc, in a debate against Bernard Shaw, predicted that Socialism, if it comes in England, will probably be simply "another of the infinite and perpetually renewed dodges of the English aristocracy."

It may be well doubted if any of the more important of the world's conservative, aristocratic, or reactionary forces (except the doctrinaire Liberals) are opposed to Socialism as defined by the Fabian Society, *i.e.* a gradual movement in the direction of collectivism. Not only Czar and Kaiser

but even the Catholic Church may be claimed as Socialistic by this standard. Mr. Hubert Bland, one of the original Fabian Essayists and a very influential member of the Society, himself a Catholic, actually asserts that the Church never has attacked Fabian or true Socialism. In view of the fact that the Church is at war with the Socialist Parties of Italy, France, Belgium, Austria, Germany, the United States, and every country where both the Church and the Socialists are a political power, in view of the wholesale and most explicit denunciations by Popes and high ecclesiastics, and the war being waged against the Socialist Parties at every point, Mr. Bland's argument has some interest.

Having defined Socialism as "the increase of State rights" and "the tendency to limit the proprietary rights of the individual and to widen the proprietary rights and activities of the community" or as the "control of property by the State and municipality," Mr. Bland has, of course, no difficulty in showing that the Catholic Church has never opposed it — though many individualistic Catholics have done so.

"No fewer than two Popes," writes Mr. Bland, "are said to have condemned Socialism in authoritative utterances, but when I examine and analyze these condemnations, I find it is not Socialism in the sense I have defined it here, that is condemned." (34) It is indeed true that few of the most bitter and persistent enemies of the Socialist movement condemn "Socialism" as defined by Mr. Bland and his "State Socialist" associates.

This capitalistic collectivism promoted by the Fabian Society has embodied itself practically in the movement towards "municipal Socialism" of which so much was heard some years ago, first in Great Britain and later in other countries. It is now from ten to twenty years since many British cities, notably Glasgow, began municipal experiments on a large scale that were branded by Socialists and non-Socialists alike, as municipal Socialism. The first of these experiments included not only the municipalization of street railways, electric light and current, and so on, but even the provision of municipal slaughter houses, bathing establishments, and outdoor amusements. The later stages have developed in a somewhat different direction. The chief reforms under discussion everywhere seem now to be the proposals that the municipalities should provide housing

accommodations for the poorer elements of the population, and that the health of the children should be looked after, even to the extent of providing free lunches in public schools. If less had been heard of "municipal Socialism" in the last year or two, this is merely because reforms on a national scale have for the moment received the greater share of public attention. This does not necessarily mean that the national reforms are more important than the municipal, but only that the latter came first because they were easier to inaugurate, though perhaps more difficult to carry to a successful conclusion.

But the first popularity of the municipal reform movement, both in Great Britain and in other countries, has received at least a temporary setback as the relations between this "municipal Socialism" and taxation were recognized. Both the non-taxpaying working people and the small taxpaying middle class saw that the profits of the new municipal enterprises went to a considerable extent towards decreasing the taxation of the well-to-do instead of conferring benefits on the majority. This might appear strange, since under universal suffrage the non-taxpaying and non-landowning majority would be expected to dominate. But in Great Britain, as well as elsewhere, central governments, in the firm control of taxpayers and landowners, exercise a strict control over the municipalities, so that this kind of reform will prove advantageous chiefly to the landlords, by enabling them to raise rents in proportion to the benefits gained by tenants; and to the taxpaying minority, by making it possible to use the profits of municipal undertakings for the purpose of reducing taxes.

The tendency toward the extension of municipal enterprises to be noted in all the important cities of the world, is hastened by the public belief that there is no other possible means of preventing the exploitation of all classes, and consequent widespread injury to trade, building, and industry in general, by public service corporations. But it must be observed that whatever municipalization there is will continue to be under the control of the taxpayers, landowners, and business men and largely in their interest as long as national governments remain in capitalist hands.

The national social reform administrations that are coming into power in so many countries are encouraging various forms of taxpayers' "municipal Socialism." The ultra-

conservative governments of Germany, Austria, and Belgium all permit the cities to engage even in the public feeding of school children, while the reactionary national government of Hungary has undertaken to provide for the housing of 25,000 working people at Budapest. The conservative *London Daily Mail* cries out that the Hungarian minister, Dr. Wekerle has "stolen a march on the Socialists," but that it is the "right sort of Socialism," and that "it has been left to the leader of the privileged Parliament [the Hungarian Parliament representing not the small capitalists, but the landed nobility and gentry] to make the first start." And there is little doubt that both the provision of houses for the working people and the public feeding of school children rest on precisely the same principles as the social reforms now being undertaken by national governments, such as that of Great Britain, and are, indeed, the "right sort of Socialism" from the capitalist standpoint.

Taking the municipal reformer as a type of the so-called Socialist, Mr. Belloc, a prominent Liberal Member of Parliament and an anti-Socialist, says that "in the atmosphere in which he works and as regards the susceptibilities which he fears to offend," that the municipal Socialist is entirely of the capitalist class. "You cannot make revolutions without revolutionaries," he continues, "and anything less revolutionary than your municipal reformer never trod the earth. The very conception is alien to this class of persons; usually he is desperately frightened as well. Yet it is quite certain that so vast a change as Socialism presupposes cannot be carried out without hitting. When one sees it verbally advocated (and in practice shirked) by men who have never hit anything in their lives, and who are even afraid of a scene with a waiter in a restaurant, one is not inclined to believe in the reality of the creed." Mr. Belloc concludes finally that all that this kind of Socialism has done during its moments of greatest activity has tended merely to recognize the capitalist more and more and to stereotype the gulf between him and the other classes. (35)

And just as Mr. Belloc has reproached the Socialists for their conservatism, so the *New Age* and other mouthpieces of Socialism condemn the non-Socialist radicals who constitute one of the chief elements among the supporters of the present government (including Mr. Belloc) as being too radical. In the literature of the Fabian Society also, the

accusation against the Liberals of being too revolutionary is quite frequent. Years ago Mr. Sidney Webb accused them of having "the revolutionary tradition in their bones," of conceiving society as "a struggle of warring interests," and said that they would reform *nothing* "unless it be done at the expense of their enemies." While this latter accusation is scarcely true, either of the British Liberals or of the revolutionary Socialists of the Continent, it is obvious that the *most important* reforms of the Socialists, those to which greatest efforts must necessarily be given, those which alone must be fought for, are precisely the ones that must be brought about "at the expense of the enemy."

In no other country has public opinion either within the Socialist movement or outside of it so completely despaired of democracy and the people. In none has the spirit of popular revolt and militant radicalism been so long dormant. Yet, there can be little doubt that the British masses, encouraged by those of France, Germany, and other countries, will one day recover that self-confidence and self-assertion they seem to have lost since the times of the "Levellers" of the Commonwealth, two hundred and fifty years ago. It may take years before this new revolutionary movement gains the momentum it already possesses in Germany and France. But the great strikes of 1910, 1911, and 1912 (see Part III, Chapter VI) and the changes in politics that have accompanied these strikes show that this movement has already begun. There is already a strong division of opinion within the Socialistic "Independent Labour Party," and this organization has also taken issue on several important matters with the non-Socialist Labour Party, of which, however, it is still a part.

After the unsatisfactory results of the elections of 1910 the conflict within the Independent Labour Party became more acute than ever. Mr. Barnes, then chairman of the Labour Party itself, and Mr. Keir Hardie, the chief figure in its Socialistic (*Independent Labour Party*) section, criticized severely the tactics that had been followed by the majority, *led also by two members of the same "Socialistic" section*, Mr. MacDonald and Mr. Snowden. It is true that the difference was not very fundamental, but it is interesting to note that MacDonald and Snowden and their avowed non-Socialist trade-union allies were accused of giving so much to the Liberals as even to weaken the position of the Labour

Party itself to say nothing of the still greater inconsistency of such comprises with anything approaching Socialism. Mr. Barnes and Mr. Hardie pointed out that the timid tactics pursued had endangered not only the fight against the House of Lords, but also the effort to keep down the naval budget and the proposed solution of the unemployment question that was to have acknowledged "the right to work." That is, Mr. MacDonald and Mr. Snowden had been so anxious to please the Liberal government, that they had risked even these moderate reforms, which were favored by many anti-Socialistic Radicals.

At the "Independents'" 1911 conference at Birmingham, again, a motion was proposed by the radical element, Hall, MacLachlan, and others, which demanded that this Party should cease voting perpetually for the government merely because the government claimed that every question required a vote of confidence, and that they should put their own issues in the foreground, and vote on all others according to their merits. This very consistent resolution, in complete accord with the position of Socialist Parties the world over, was however voted down by the "Independents," as it had been shortly previously at the conference of the non-Socialist Labour Party of which they are a section. The executive committee brought in an amendment in the contrary sense to that of the radical resolution, and this amendment was ably supported by MacDonald. Hardie and Barnes, however, persuaded the Congress to vote down both resolution and amendment on the ground that the "Independents" in Parliament *ought to support the Liberal and Radical government, except in certain crises* — as illustrations of which Barnes mentioned the Labourites' opposition to armaments and their demand for the right to work. Keir Hardie also declared that he was not satisfied with the conduct of the Labour Party in Parliament; his motion condemning the government's action in the Welsh coal strike, for example, had secured only seventeen of their forty votes. He claimed that the influence of the Liberals over the party was due, not to their social reform program, but to their passing of the trade-union law permitting picketing after the elections of 1906, and that he feared them more than he did the Conservatives. However, he thought that this Liberal influence was now on the decline, and said that if the Liberals attempted to strengthen the House of Lords, as suggested in the preamble

to their resolution, abolishing its veto power, the Labour Party would be ready to vote against the government.

The Labourites did, as a matter of fact, vote against this preamble, and the government was saved only because Balfour and the Conservatives lent it their support. It still remains to be seen if the Labourites will detach themselves from the Liberals on a really crucial question, one on which they know the Conservatives will remain in the opposition — in other words, whether they will do the only thing that can possibly show any real independence or make them a factor of first importance in the nation's politics, that is, overturn a government. Doubtless this day will come, but it does not seem to be at hand.

This discussion was much intensified by the decision of the executive of the Labour Party (in order to retain the legal right to use trade-union funds for political purposes) to relieve Labour members of Parliament of their pledge to follow a common policy. This decision again was opposed by the majority of the "Independent" section including Hardie and Barnes, but favored by a minority, led by MacDonald. With the aid of the non-Socialistic element, however, it was carried by a large majority at the Labour Party's conference in 1911. Thus while one element is growing more radical another is growing more conservative and the breach between the Independents and the other Labourites is widening.

Perhaps the closest and most active associate of Mr. MacDonald at nearly every point has been Mr. Philip Snowden. Even Mr. Snowden finally declared that a recent action of the Labour Party, when all but half a dozen of its members voted with the Liberals, against what Mr. Snowden states to have been the instructions of the Party conference, "finally completes their identity with official Liberalism." Mr. Snowden asserted that if the "Independents" would stand this they would stand anything, that the time had come to choose between principle and party, and that he was not ready to sacrifice the former for the latter.

Shortly after this incident, which Mr. MacDonald attributed to a misunderstanding, came the great railway strike and its settlement, in which he and Mr. Lloyd George were the leading factors. Received with enthusiasm by the Liberal press, this settlement was bitterly denounced by the *Labour Leader*, the official organ of the "Independents."

Mr. MacDonald on the other hand expressed in the House of Commons deep satisfaction with the final attitude of the government and predicted that if it was maintained no such trouble need arise again in a generation. No statement could have been more foreign to the existing feeling among the workers, a part of whom it will be remembered failed to return to work for several days after the settlement. The "Independents" as the political representatives of the more radical of the unionists, naturally embody this discontent, while the Labour Party, being partly responsible for the settlement, becomes more than ever the semi-official labor representative of the government — a divergence that can scarcely fail to lead to an open breach.

It was as a result of all of these critical situations, especially the great railway strike and its sequels, that an effort has been made to form a "British Socialist Party" to embrace all Socialist factions, and to free them from dependence on the Labour Party. It has succeeded in uniting all, except the Independent Labour Party and the Fabian Society, and includes even a number of local branches (though only a small minority of the total number) of the former organization. This Party has issued an outright revolutionary declaration of principles. Mr. Quelch, editor of the Social Democratic organ, *Justice,* had proposed the following declaration of principles, which was far in advance of the present position of the Independent Labour Party, if somewhat ambiguous in the clause printed in italics: —

"The Socialist Party is the political expression of the working-class movement, acting in the closest coöperation with industrial organizations for the socialization of the means of production and distribution — that is to say, the transformation of capitalist society into a collective or communist society. Alike in its object, its ideals, and in the means employed, the Socialist party, *though striving for the realization of immediate social reforms demanded by the working class,* is not a reformist but a revolutionary party, which recognizes that social freedom and equality can only be won by fighting the class war through to the finish, and thus abolishing forever all class distinctions." (36)

The phrase underlined was opposed by several of the revolutionary representatives of Independent Labour Party branches who were present as delegates and others, and by a narrow vote was expunged. The declaration as it now stands is as radical as that of any Socialist Party in the world.

The new organization is already making some inroads among the membership of the Independent Labour Party and there seems to be a chance that it will succeed before many years in its attempt to free that organization and British Socialism generally from their dependence on the Labour and Liberal Parties.

Perhaps the contrast between "Labour" Party and Socialist Party methods and aims comes out even more clearly in Australasia than in Great Britain. A typical view of the New Zealand reforms as being steps towards Socialism is given by Thomas Walsh, of the Auckland *Voice of Labour* (see *New York Call*, September 10, 1911).

After giving a list of things "already accomplished," including a mention of universal suffrage, state operation of the post office, prohibition of child labor, "free and compulsory secular education up to the age of fourteen years," and "State-assisted public hospitals" — besides the other more distinctively capitalist collectivist reforms, such as government railways, mines, telegraphs, telephones, parcel post, life and fire insurance, banks and old-age pensions and municipal ownership, Mr. Walsh concludes: —

"These are some of the things already done: there is a long list more. The revolutionary seize and hold group may label them palliatives, may howl down as red herrings across the scent, may declare that they obscure main issues, but I want to know which of the reforms they want to see abolished, which of them are useless, which of them are not necessary? *Contrary to the fond delusion of the revolutionary group, the defenders of the present system don't and won't hand out anything; everything obtained is wrenched from them;* and in the political arena, armed with the ballot box and the knowledge of its use, there is nothing that labor cannot obtain.'

"Have the reforms secured blurred the main issue, have we lost sight of the goal? The objective of the New Zealand Labour Party to-day is the 'securing to all of the full value of their labour power by the gradual public ownership of all the means of production, distribution, and exchange.' Contrary to your critic's opinion, what has already been done has but whetted the appetite for more, and to-day New Zealand labour is marshaling its forces for further assaults on the fortress of the privileged.

"*Every reform we have secured has been a step toward the goal;* every step taken means one step less to take. The progressive legislation has not sidetracked the movement — it has cleared the road for further advancement.

"In New Zealand the enumerated reforms are law — *made law in defiance of the wealth-owning class.* At the moment labour does not

possess the power to administer the laws, but far from that being an argument to abandon the law, it has convinced New Zealand labor that the administrative control must be got possession of, and through the ballot box New Zealand labour will march to get that control. *Given control of the national and local government, the food supplies can be nationalized and more competitive State-owned industries established. And by labour administration of the arbitration court the prices and wages can be so adjusted that the worker can buy out of the market all that his labor put into it.*

"To the brothers in America I say, Go on. Don't waste time arguing about economic dogma. Get a unified labor movement and *throw the whole industrial force into the political arena.* Anything less than the whole force means delay. The whole force means victory. We have progressed. We have experimented. We have proved. Yours it is but to imitate — and improve."

I have underlined the most important of Mr. Walsh's conclusions that are contradicted by the evidence I have given in this chapter and elsewhere in the present volume. The Socialist view of the last two statements may be best shown by a quotation from Mr. Charles Edward Russell, who is the critic referred to by Mr. Walsh, and has undertaken with great success to uproot among the Socialists of this country the fanciful pictures and fallacies concerning Australasia that date in this country from the time of the radical and fearless but uncritical and optimistic books of Henry D. Lloyd ("A Country Without Strikes," etc.). Mr. Russell shows that a Labor Party as in Australia may gain control of the forms of government, without actually gaining the sovereignty over society or industry. (See the *International Socialist Review*, September, 1911.) In an article that has made a greater sensation in the American movement than any that has yet appeared (with the exception of Debs's "Danger Ahead," quoted in the next chapter), Mr. Russell writes: —

"A proletarian movement can have no part, however slight, in the game of politics. The moment it takes a seat at that grimy board is the moment it dies within. After that, it may for a time maintain a semblance of life and motion, but in truth it is only a corpse.

"This has been proved many times. It is being proved to-day in Great Britain. It has been proved recently and most convincingly in the experience of Australia and New Zealand.

"In Australia the proletarian movement that began eighteen years ago has achieved an absolute triumph — in politics. Under the name of the Labor Party it has won all that any political com-

bination can possibly win anywhere. It has played the political game to the limit and taken all the stakes in sight. The whole national government is in its hands. It has attained in fullest measure to the political success at which it aimed. It not merely influences the government; it is the government.

"To make the situation clear by an American analogy, let us suppose the Socialists of America to join hands with the progressive element in the labor unions and with the different groups of advanced radicals. Let us suppose a coalition party to be formed called the Labor Party. Let us suppose this to have entered the State and national campaigns, winning at each successive election more seats in Congress, and finally, after sixteen years of conflict, electing its candidate for President and a clear majority of the Senate and the House of Representatives. This would be admitted to be the summit of such a party's aims and to mean great and notable success; and it would closely parallel the situation in Australia.

"Exactly such a Labor Party has administered the affairs of Australia since April, 1910. Its triumph was the political success of a proletarian movement that was steered into the political game. What has resulted?

"This has resulted, that the Labor Party of Australia is now exactly like any other political party and means no more to the working class except its name. Constituted as the political party of that class, it has been swept into power by working-class votes, and after almost a year and a half of control of national affairs, it can show nothing more accomplished for working-class interests than any other party has accomplished. The working class under the Labor Party is in essentially the same condition that it has been in under all the other administrations, nor is there the slightest prospect that its condition will be changed.

"In other words, the whole machine runs on exactly as before, the vast elaborated machine by which toilers are exploited and parasites are fed. Once in power, the Labor Party proceeded to do such things as other parties had done for the purpose of keeping in power, and it is these things that maintain the machine.

"On the night of the election, when the returns began to indicate the result, the gentleman that is now Attorney-General of the Commonwealth was in the Labor Party headquarters, jumping up and down with uncontrollable glee.

"'We're in!' he shouted. 'We're in! We're in!'

"That was an excellent phrase and neatly expressed the whole situation. The Labor Party was in; it had won the offices and the places of power and honor; it had defeated the opponents that had often defeated it. It was 'in.' The next thing was to keep in, and this is the object that it has assiduously pursued ever since. 'We are in; now let us stay in. We have the offices; let us keep the offices.'

"The first thing it does is to increase its strength with the bour-

geoisie and the great middle class always allied with its enemies. To its opponents in the campaigns the handiest weapon and most effective was always the charge that the Labor Party was not patriotic, that it did not love the dear old flag of Great Britain with the proper degree of fervor and ecstasy; that it was wobbly on the subject of war and held strange, erratic notions in favor of universal peace instead of yelling day and night for British supremacy whether right or wrong — which is well known to be the duty of the true and pure patriot. This argument was continually used and had great effect.

"Naturally, as the Labor Party was now in and determined to stay in, the wise play indicated in the game upon which it had embarked, was to disprove all these damaging allegations and to show that the Labor Party was just as patriotic as any other party could possibly be. So its first move was to adopt a system of universal military service, and the next to undertake vast schemes of national defense. The attention and admiration of the country were directed to the fact that the Labor administration was the first to build small arms factories, to revise the military establishment so as to secure the greatest efficiency and to prepare the nation for deeds of valor on the battlefield.

"At the time this was done there was a crying need for new labor legislation; the system or lack of system of arbitrating labor disputes was badly in need of repairs; workingmen were being imprisoned in some of the States for the crime of striking; the power of government was often used to oppress and overawe strikers, even when they had been perfectly orderly and their cause was absolutely just. These with many other evils of the workingman's condition were pushed aside in order to perfect the defense system and get the small arms factories in good working order, for such were the plain indications of the game that the Labor Party had started out to play. 'We're in; let us stay in.'

"Meantime there remains this awkward fact about the condition of the working class. It is no less exploited than before. It is as far, apparently, from the day of justice under the rule of the Labor Party as it was under the rule of the Liberal Party. What are you going to do about that? Why, there is nothing to be done about that as yet. The country, you see, is not ready for any radical measures on that subject. If we undertook to make any great changes in fundamental conditions, we should be defeated at the next election and then we should not be in, but should be out. True, the cost of living is steadily increasing, and that means that the state of the working class is inevitably declining. True, under the present system, power is steadily accumulating in the hands of the exploiters, so that if we are afraid to offend them now, we shall be still more afraid to offend them next year and the next. But the main thing is to keep in. We're in; let us stay in.

"Hence, also, the Labor administration has been very careful not to offend the great money interests and powerful corporations that are growing up in the country. These influences are too powerful in elections. Nothing has been done that could in the least disturb the currents of sacred business. It was recognized as not good politics to antagonize business interests. Let the administration keep along with the solid business interests of the country, reassuring them for the sake of the general prosperity and helping them to go on in the same, safe, sane, and conservative way as before. It was essential that business men should feel that business was just as secure under the Labor administration as under any other. Nothing that can in the least upset business, you know. True, this sacred business consists of schemes to exploit and rob the working class, and true, the longer it is allowed to go upon its way the more powerful it becomes and the greater are its exploitations and profits. But if we do anything that upsets business or tends to disturb business confidence, that will be bad for us at the next election. Very likely we shall not be able to keep in. We are in now; let us stay in, and have the offices and the power.

"Therefore, it is with the greatest pride that the Labor people point out that under the Labor administration the volume of business has not decreased, but increased; the operations of the banks have shown no falling off; they are still engaged as profitably as of yore in skinning the public; the clearings are in an eminently satisfactory condition; profits have suffered no decline; all is well in our marts of trade. The old machine goes on so well you would never know there had been any change in the administration. Business men have confidence in our Party. They know that we will do the right thing by them, and when in the next campaign the wicked orators of the opposition arise and say that the Labor Party is a party of disturbers and revolutionists, we can point to these facts and overwhelm them. And that will be a good thing, because otherwise we might not be able to keep in. We're in; let us stay in.

"If the capitalists had designed the very best way in which to perpetuate their power, they could not have hit upon anything better for themselves than this. It keeps the working class occupied, it diverts their minds from the real questions that pertain to their condition; it appeals to their sporting instincts; we want to win, we want to cheer our own victory, we want to stay in; this is the way to these results. And meantime the capitalists rake off the profits and are happy. We are infinitely better off in the United States. The Labor Party of Australia has killed the pure proletarian movement there. At least we have the beginnings of one here. If there had been no Labor Party, there would now be in Australia a promising working-class movement headed towards industrial emancipation. Having a Labor Party, there is no such movement in sight. . . .

"You say: Surely it was something gained in New Zealand to secure limited hours of employment, to have sanitary factories, clean luncheon rooms, old-age pensions, workingmen's compensation. Surely all these things represented progress and an advance toward the true ideal.

"Yes. But every one of these things has been magnified, distorted and exaggerated for the purpose and with the result of keeping the workingman quiet about more vital things. How say you to that? Every pretended release from his chains has been in fact a new form of tether on his limbs. What about that? I should think meanly of myself if I did not rejoice every time a workingman's hours are reduced or the place wherein he is condemned to toil is made more nearly tolerable. But what shall we conclude when these things are deliberately employed to distract his thoughts from fundamental conditions and when all this state of stagnation is wrought by the alluring game of politics?

"I cannot help thinking that all this has or ought to have a lesson for the Socialist movement in America. If it be desired to kill that movement, the most effective way would be to get it entangled in some form of practical politics. Then the real and true aim of the movement can at once be lost sight of and this party can go the way of every other proletarian party down to the pit. I should not think that was a very good way to go.

"When we come to reason of it calmly, what can be gained by electing any human being to any office beneath the skies? To get in and keep in does not seem any sort of an object to any one that will contemplate the possibilities of the Coöperative Commonwealth. How shall it profit the working class to have Mr. Smith made sheriff or Mr. Jones become the coroner? Something else surely is the goal of this magnificent inspiration. In England the radicals have all gone mad on the subject of a successful parliamentary party, the winning of the government, the filling of offices, and the like. I am told that the leaders of the coalition movement have already picked out their prime minister against the day when they shall carry the country and be in. In the meantime they, too, must play this game carefully, being constantly on their guard against doing anything that would alarm or antagonize the bourgeoisie and sacred businesses and telling the workers to wait until we get in. I do not see that all this relieves the situation in Whitechapel or that any fewer men and women live in misery because we have a prospect of getting in.

"Furthermore, to speak quite frankly, I do not see where there is a particle of inspiration for Americans in any of these English-speaking countries. So far as I can make out the whole of mankind that dwells under the British flag is more or less mad about political success, Parliament and getting in. They say in New Zealand that the government can make a conservative of any radical, if he

threatens to become dangerous, by giving him some tin-horn honor or a place in the upper chamber. In England we have seen too often that the same kind of influences can silence a radical by inviting him to the king's garden party or allowing him to shake hands with a lord. I do not believe we have anything to learn from these countries except what to avoid."

CHAPTER IV

"REFORMISM" IN THE UNITED STATES

Because of our greater European immigration and more advanced economic development, the Socialist movement in this country, as has been remarked by many of those who have studied it, is more closely affiliated with that of the continent of Europe than with that of Great Britain.

The American public has been grievously misinformed as to the development of revolutionary Socialism in this country. A typical example is the widely noticed article by Prof. Robert F. Hoxie, entitled, "The Rising Tide of Socialism."

After analyzing the Socialist vote into several contradictory elements, Professor Hoxie concludes: —

"There seems to be a definite law of the development of Socialism which applies both to the individual and to the group. The law is this: The creedalism and immoderateness of Socialism, other things being equal, vary inversely with its age and responsibility. The average Socialist recruit begins as a theoretical impossibilist and develops gradually into a constructive opportunist. Add a taste of real responsibility and he is hard to distinguish from a liberal reformer." (1)

On the contrary, the "theoretical impossibilists," however obstructive, have never been more than a handful, and the revolutionists, in spite of the very considerable and steady influx of reformers into the movement, have increased still more rapidly. That is, revolutionary Socialism is growing in this country — as elsewhere — and a very large and increasing number of the Socialists are become more and more revolutionary. From the beginning the American movement has been radical and the "reformists" have been heavily outvoted in every Congress of the present Party — in 1901, 1904, 1908, and 1910, while the most prominent revolutionist, Eugene V. Debs, has been its nominee for President at each Presidential election, since its foundation (1900, 1904, and 1908).[a]

[a] In her "American Socialism of the Present Day" (p. 252) Miss Hughan *denies that there are many varieties of American Socialism*, and says that the

Aside from a brief experience with the so-called municipal Socialism in Massachusetts in 1900 and 1902, the national movement gave little attention to the effort to secure the actual enactment of immediate reforms until the success of the Milwaukee Socialists (in 1910) in capturing the city government and electing one of its two Congressmen. There had always been a program of reforms indorsed by the Socialists. But this program had been misnamed "Immediate Demands," as the Party had concentrated its attention *almost exclusively* on its one great demand, the overthrow of capitalist government.

In the fall elections of 1910 it was observed for the first time that certain Socialist candidates in various parts of the country ran far ahead of the rest of the Socialist ticket, and that some of those elected to legislatures and local offices owed their election to this fact. This appeared to indicate that these candidates had bid for and obtained a large share of the non-Socialist vote. A cry of alarm was thereupon raised by many American Socialists. The statement issued by Mr. Eugene V. Debs on this occasion, entitled "Danger Ahead," was undoubtedly representative of the views of the majority. As Mr. Debs has been, on three occasions, the unanimous choice of the Socialist Party of the United States as its candidate for the Presidency, he remains unquestionably the most influential member of the Party. I, therefore, quote his statement at length, as the most competent estimate obtainable of the present situation as regards reformism in the American Socialist movement:—

"The danger I see ahead," wrote Mr. Debs, "is that the Socialist Party at this stage, and under existing conditions, is apt to attract elements which it cannot assimilate, and that it may be either weighted down, or torn asunder with internal strife, or that it may become permeated and corrupted with the spirit of bourgeois reform to an extent that will practically destroy its virility and efficiency as a revolutionary organization.

assertion that there are is justified only the many shades of *tactical policy* to be found in the Party, "founded usually on corresponding gradations of emphasis upon the idea of catastrophe."

I do not contend that there are *many* varieties of Socialism within the Party either here or in other countries, but I have pointed out that there are *several* and that *their differences are profound, if not irreconcilable.* It is precisely because they are founded on differences in tactics, *i.e. on real instead of theoretical* grounds that they are of such importance, for as long as present conditions continue, they are likely to lead farther and farther apart, while new conditions may only serve to bring new differences.

"To my mind the working-class character and the revolutionary integrity of the Socialist Party are of the first importance. *All the votes of the people would do us no good if our party ceased to be a revolutionary party or became only incidentally so, while yielding* more and more to the pressure to modify the principles and program of the Party for the sake of swelling the vote and hastening the day of its expected triumph. . . . The truth is that we have not a few members who regard vote getting as of supreme importance, no matter by what method the votes may be secured, and this leads them to hold out inducements and make representations which are not at all compatible with the stern and uncompromising principles of a revolutionary party. They seek to make the Socialist propaganda so attractive — eliminating whatever may give offense to bourgeois sensibilities — that it serves as a bait for votes rather than as a means of education, and *votes thus secured do not properly belong to us and do injustice to our Party as well as those who cast them.* . . . The election of legislative and administrative officers, here and there where the Party is still in a crude state and the members economically unprepared and politically unfit to assume the responsibilities thrust upon them as the result of popular discontent, will inevitably bring trouble and set the Party back, instead of advancing it, and while this is to be expected and is to an extent unavoidable, we should court no more of that kind of experience than is necessary to avoid a repetition of it. The Socialist Party has already achieved some victories of this kind which proved to be defeats, crushing and humiliating, and from which the party has not even now, after many years, entirely recovered [referring, doubtless, to Haverhill and Brockton. — W. E. W.].

"Voting for Socialism is not Socialism any more than a menu is a meal. . . .

"The votes will come rapidly enough from now on without seeking them, and we should make it clear that the Socialist Party wants the votes only of those who want Socialism, and that, above all, as a revolutionary party of the working class, it discountenances vote seeking for the sake of votes and holds in contempt office seeking for the sake of office. These belong entirely to capitalist parties with their bosses and their boodle and have no place in a party whose shibboleth is emancipation." (2) (My italics.)

After Mr. Debs, Mr. Charles Edward Russell is now, perhaps, the most trusted of American Socialists. His statement, made a few months later (see the *International Socialist Review* for March, 1912), reaches identical conclusions. As it is made from the entirely independent standpoint of the observations of a practical journalist as to political methods, it strongly reënforces and supplements Mr. Debs's conclusions, drawn chiefly from labor union experience.

As I have already quoted Mr. Russell at length in the previous chapter, a few paragraphs will give a sufficient idea of this important declaration: —

"Let us suppose in this country," writes Mr. Russell, "a political party with a program that proposes a great and radical transformation of the existing system of society, and proposes it upon lofty grounds of the highest welfare of mankind. Let us suppose that it is based upon vital and enduring truth, and that the success of its ideals would mean the emancipation of the race.

"If such a party should go into the dirty game of practical politics, seeking success by compromise and bargain, striving to put men into office, dealing for place and recognition, concerned about the good opinion of its enemies, elated when men spoke well of it, depressed by evil report, tacking and shifting, taking advantage of a local issue here and of a temporary unrest there, intent upon the goal of this office or that, it would inevitably fall into the pit that has engulfed all other parties. Nothing on earth could save it.

"But suppose a party that kept forever in full sight the ultimate goal, and never once varied from it. Suppose that it strove to increase its vote for this object and for none other. . . . Suppose it regarded its vote as the index of its converts, and sought for such votes and for none others. Suppose the entire body was convinced of the party's full program, aims, and philosophy. Suppose that all other men knew that this growing party was thus convinced and thus determined, and that its growth menaced every day more and more the existing structure of society, menaced it with overthrow and a new structure. What then?

"Such a party would be the greatest political power that ever existed in this or any other country. It would drive the other parties before it like sand before a wind. They would be compelled to adopt one after another the expedients of reform to head off the increasing threat of this one party's progress towards the revolutionary ideal. But this one party would have no more need to waste its time upon palliative measures than it would have to soil itself with the dirt of practical politics and the bargain counter. The other parties would do all that and do it well. The one party would be concerned with nothing but making converts to its philosophy and preparing for the revolution that its steadfast course would render inevitable. Such a party would represent the highest possible efficiency in politics, the greatest force in the State, and the ultimate triumph of its full philosophy would be beyond question."

Thus we see that in America reformism is regarded as a dangerous innovation, and that, before it had finished its second prosperous year, it had been abjured by those who have the best claim to speak for the American Party.

Nevertheless it still persists and, indeed, continues to develop rapidly — if less rapidly than the opposite, or revolutionary, policy — and deserves the most careful consideration.

While "reformism" only became a practical issue in the American Party in *1910*, it had its beginnings much earlier. The Milwaukee Socialists had set on the "reformist" course even before the formation of the present national party (in 1900). Even at this early time they had developed what the other Socialists had sought to avoid, a "leader" — in the person of Mr. Victor Berger. At first editor of the local German Socialist organ, the *Vorwaerts*, then of the *Social-Democratic Herald*, acknowledged leader at the time of the municipal victory in the spring of 1910, and now the American Party's first member of Congress, Mr. Berger has not merely been the Milwaukee organization's chief spokesman, organizer, and candidate throughout this period, but he has come to be the chief spokesman of the present reformist wing of the American Party. His editorials and speeches as Congressman, and the policies of the Milwaukee municipal administration, now so much in the public eye, will afford a fairly correct idea of the main features both of the Socialism that has so far prevailed in Milwaukee, and of American "reformism" in general.

"Socialism is an epoch of human history which will no doubt last many hundred years, possibly a thousand years," wrote Mr. Berger, editorially, in 1910. "Certainly a movement whose aims are spread out over a period like that need have no terrors for the most conservative," commented Senator La Follette, with perhaps justifiable humor.

If Socialism is to become positive, said Mr. Berger again, it must "conduct the everyday fight for the practical revolution of every day." Like the word "Socialism," Mr. Berger retains the word "revolution," but practically it comes to mean much the same as its antithesis, everyday reform.

It has been Mr. Berger's declared purpose from the beginning to turn the Milwaukee Party aside from the tactics of the International movement to those of the "revisionist" minority that has been so thoroughly crushed at the German and International Congresses. (See Chapter VII.) "The tactics of the American Socialist Party," he wrote editorially in 1901, "if that party is to live and succeed — can only be the much abused and much misunderstood Bernstein doctrine."

"In America for the first time in history," he added, "we find an oppressed class with the same fundamental rights as the ruling class — the right of universal suffrage. . . ." (3)

It was the impression of many of the earlier German Socialists in this country that political democracy already existed in America and that it was only necessary to make use of it to establish a new social order. The devices the framers of our Constitution employed to prevent such an outcome, the widespread distribution of property, especially of farms, disfranchisement in the South and elsewhere, etc., were all considered as small matters compared to the difficulties Socialists faced in Germany and other countries. Many have come more recently to recognize, with Mr. Louis Boudin, that the movement "will have to learn that in this country, as in Germany or other alien lands, the fight is on not only for the use of its power by the working class, but for the possession of real political power by the masses of the people." Neither in this country nor in any other does the oppressed class have "the same fundamental rights as the ruling class." In America the working class have not even an approximately equal right to the ballot, because of local property, literacy, residence, and other qualifications, as alluded to in an earlier chapter, and it is at least doubtful whether the workers are in a more favorable position here than elsewhere to gain final and effective control of the government without physical revolution (as Mr. Berger himself has admitted; see Chapter VI).

In explanation of what he meant by the Bernstein doctrine, Mr. Berger wrote in 1902: "Others condemn every reform which is to precede the 'Great Revolution.' . . . Nothing can be more absurd. . . . Progress is not attained by simply waiting for a majority of people, for the general reconstruction, for the promised hour of deliverance. . . . We wicked 'opportunists' want action. . . . We want to reconstruct society, and we must go to work without delay, and work ceaselessly for the coöperative Commonwealth, the ideal of the future. But we want to change conditions now. We stand for scientific Socialism." (4)

It is quite true that there was a Socialist Party in this country before 1900, a large part of which ridiculed every reform that can come before the expected revolution, but these "Impossibilists" are now a dwindling handful. Nearly every Socialist now advocates all progressive reforms, but

different views obtain as to which of these reforms do, and which of them do not, properly come within the Socialists' sphere of action.

Mr. Berger's opinion is that the Socialists should take the lead in practically all immediate reform activities, and belittles all other reformers. No sooner had Senator La Follette appeared on the political horizon in 1904 than Mr. Berger classed him with Mr. Bryan, as "visionary." (5) And after Senator La Follette had become recognized as perhaps the most effective radical the country has produced, Mr. Berger still persisted in referring to him as "personally honest, but politically dishonest," and was quoted as saying, with particular reference to the Senator and his ideas of reform, and to the great satisfaction of the reactionary press: "An insurgent is 60 per cent of old disgruntled politician, 30 per cent clear hypocrisy, 9 per cent nothing, and 1 per cent Socialism. Put in a bottle and shake well before using and you will have a so-called 'progressive.'" (6)

Let us see how the Socialist platform in Wisconsin differs from that of the insurgent Republicans and Democrats. It begins with the statement that the movement aims at "better food, better houses, sufficient sleep, more leisure, more education, and more culture." All progressive and honest reform movements stand for all these things and, as I have shown, promise gradually to get them. Under capitalism per capita wealth and income are increased rapidly and the capitalists can well afford to grant to the workers more and more of all the things mentioned, not out of fear of Socialism, but to provide in the future for that steady increase of industrial efficiency which is destined to be the greatest source of future profits.

The platform goes on to state that "the final aim of the Social-Democratic Party is the emancipation of the producers and the abolition of the capitalist system" and describes the list of reforms it proposes as "mere palliatives, capable of being carried out even under present conditions." But it also suggests that these measures are in part, though not all, Socialistic, whereas a careful comparison with the Democratic and Republican platforms, especially the latter, shows that they are practically all adopted by the capitalist parties (not only in Wisconsin, but in States where the Socialists have no representation whatever). If the Social-Democrats of Wisconsin demand more government ownership and labor legis-

lation, the Republicans are somewhat more insistent on certain extensions of political democracy — as in the demand for less partisan primaries.

The New York Socialist platform makes very similar demands to that of Wisconsin, but precedes them by the long explanation (see Chapter VI) of the Socialist view of the class struggle, which the Wisconsin platform barely mentions, while containing declarations that might be interpretated as contradicting it. *The Wisconsin idea is that a Socialist minority in the nation has actual power to obtain reforms that will advance us towards Socialism and that would not otherwise be obtained. The New York idea is that a Socialist minority can have no other reforming power than any honest reform minority, unless Socialism has actually won or is about to win a majority.*

The legislature of Wisconsin has doubtless gone somewhat faster than those of other "progressive" States, on account of the presence of the "Social-Democrats." It has passed the latters' resolutions, for example, calling for the government ownership of coal mines and of such railroad, telegraph, telephone, and express companies as pass into the hands of receivers, and also to apply incomes from natural resources to old-age pensions as well as other resolutions already mentioned. But an inspection of the resolutions of the legislatures of other States where there are no Socialist legislators and only a relatively small per cent of Socialists shows action almost if not quite as radical. This and the fact that a very radical tendency appeared in Wisconsin when Mr. La Follette was governor and before Socialism had any apparent power in that State, suggests that the influence of the latter has been entirely secondary.

The *Social-Democratic Herald* complains significantly, at a later date, of "the cowardly and hypocritical Socialistic platforms of the two older parties," while Mr. Berger was lately predicting that Senator La Follette would be "told to get out" of the Republican Party. The reformer who was so recently "retrogressive" had now become a rival in reform. Mr. Berger, however, claims that he does not object when reformers "steal the Socialist thunder." If both are striving after the "immediately attainable," how indeed could there be any lasting conflict, or serious difference of opinion? Or if there is to be any difference at all between Socialists and "Insurgents," is it not clear that the Socialists must

reject, absolutely, Berger's principles, and follow Bebel's advice (quoted below), *i.e. concentrate their attention exclusively on "thunder" which the enemy will not and cannot steal?*

But perhaps an even more striking indication of the nature of Milwaukee Socialism is shown by the very general welcome it has received among capitalist organs of all parties, from the *Outlook*, *Collier's Weekly*, the *Saturday Evening Post*, and the *American Magazine*, to the *New York Journal*, the *New York World*, the *Chicago Tribune*, the *Milwaukee Journal*, and other capitalist papers all over the country. The *New York Journal* stated editorially after the municipal election of 1910, that won Milwaukee for the Socialists of the Berger School, that the men of Milwaukee who have accumulated millions show no signs of fear and that "before the election many of the biggest Milwaukee business men (including at least two of the brewers) had expressed themselves privately in admiration of Mr. Berger and his character *and his purposes.*" (My italics.) (7)

La Follette's Weekly on this occasion quoted from an editorial of Mr. Berger in which he had written: "We must show the people of Milwaukee that the philosophy of international Socialism can be applied and will be applied to the local situation, and that it can be applied with advantage to any American city of the present day. . . . It is our duty to give this city the best kind of an administration that *a modern city can get under the present system, and the present laws.*" (My italics.) La Follette's repeats the phrase in italics and adds that this policy contains "nothing to arouse fear on the part of the business interests that is tangible enough to be felt or genuine enough to be contagious," that the people want "new blood in the city offices," "had confidence in the Socialist candidates," and "are not afraid of a name."

I have mentioned Liebknecht's remark that the enemy's praise is a sign of failure. Debs in this country is reported as saying, "When the political or economic leaders of the wage worker are recommended for their good sense and wise action by capitalists, it is proof that they have become misleaders and cannot be trusted."

It may be imagined that the revolutionary Socialists have never approved these tactics of Mr. Berger's and do so less today than ever. His anti-immigration proposals were defeated by a large majority at the last Socialist congress and some of the best-known Socialists and organs of Socialist opinion have

definitely repudiated his policy. Mr. J. G. Phelps Stokes, formerly a member of the National Executive Committee, declared publicly, after the Milwaukee victory of 1910, that the Milwaukee Socialists "had compromised with capitalism" by their campaign utterances, and in certain instances had acted as "mere reformers, not as Socialists at all." It is not surprising that the anti-Socialist reform press thereupon took up the cudgels in behalf of Mr. Berger, including the *New York World*, the *Chicago Tribune*, and *Milwaukee Journal*. The last-named paper very curiously claimed that, wherever Socialists "have been intrusted with the powers of the government," they have taken a similar course to that of Mr. Berger. This is that very obvious truth of which I have spoken in preceding chapters, namely, that when Socialists have allowed themselves to be saddled with the responsibilities of some department or local branch of government, *without having the sovereign power* needed to apply *Socialist principles*, they have frequently found themselves in an untenable situation. The Socialists have been the first to recognize this, and for this reason oppose any entrance of Socialists into capitalist governments, *i.e.* their acceptance of minority positions in national cabinets or councils of State. (See Chapters II, VI, and VII.)

Expressing the belief of the overwhelming majority of those who are watching the progress of affairs in Milwaukee, the *Journal* of that city stated, "What they [the Socialists] are doing [in Milwaukee] is not essentially Socialistic, though some of the reforms they propose are Socialistic in tendency." This need not be taken to mean that the Milwaukee reforms are supposed to tend to Socialism as Socialists in general understand it, but rather to that capitalistic collectivism to which Mr. Taft refers when he says that in the present regulation of the railroads "we have gone a long way in the direction of State Socialism."

Mr. Stokes's comment upon many widely published defenses of the Milwaukee Socialists by anti-Socialists was published in a letter to the *New York World* which sums up admirably the International standpoint: "It is surely public opinion out of office and not the party in office," wrote Mr. Stokes, "that does the most for progress in this country, and it seems to me exceedingly doubtful whether any party in power has ever led public opinion effectively at any time. I share with very many Socialists the view that it is entirely

fallacious to suppose that more can be done at this stage of the world's progress through politics, than through 'education, agitation, and perpetual criticism.'"

I have referred to Mr. Berger as a "reformist" to distinguish his policies from the professed opportunism of some of the British Socialists. But I have also noted that his tactics and philosophy, as both he and they have publicly acknowledged, are alike at many points. For example, his views, like theirs, often seem less democratic than those of many non-Socialist radicals, or even of the average American. Years after the labor unions and the farmers of most of the States had indorsed direct legislation, and in a year when it was already becoming the law of several States, Mr. Berger, looking out for the interests of what he and his associates frankly call the "political machine" of the Wisconsin Party, damned it by faint praise, though it was an element of his own platform; and he had claimed credit for having first proposed it in Wisconsin. He acknowledged that the Initiative and Referendum *make towards* Socialism and are the surest way in the end, but urged that they are "also the longest way," and wrote in the *Social-Democratic Herald:* —

"The real class conscious proletariat is still in a minority, and liable to stay so for a time to come. It can only show results by fighting as a well-organized, compact mass.

"But the initiative, the referendum, and the right to recall have a tendency to destroy parties and loosen tightly knit political organizations.

"Therefore, while the Socialist Party stands for direct legislation as a democratic measure, we are well aware that the working class will be helped very little by getting it. We are well aware that the proletariat, before all things, must get more economic and political, strength — more education and more wisdom. That, besides teaching coöperation, we must build *political machines.*" (3) (My italics.)

On the question of Woman Suffrage, also, Mr. Berger long showed a similarly hesitating attitude, saying that intelligent women "have always exercised great political power" even without the ballot; doubting whether women's vote would help the advance of humanity "in the coming time of transition," saying this is a question of fact on which Socialists may honestly differ, and urging that "no one will deny that the great majority of the women of the present day — *and that*

is the only point we can view now, are illiberal, unprogressive, and reactionary to a greater extent than the men of the same stratum of society." (The italics are mine.) Finally, Mr. Berger concluded as follows, twice throwing the balance of his opinion from one scale into another: —

"Now, if all this is correct, female suffrage, for generations to come, will simply mean the deliberate doubting of the strength of a certain church, — will mean a great addition to the forces of ignorance and reaction. . . .

"However, we have woman suffrage in our platform, and we should stand by it. Because in the end it will help to interest the other half of humanity in social and political affairs, and it will be of great educational value on both women and men. . . .

"Nevertheless, it is asking a great deal of the proletariat when we are requested to delay the efficiency of our movement *for generations* on that count. And we surely ought not to lay such stress on this one point as to injure the progress of the general political and economic movement — the success of which is bound to help the women as much as the men." (9) (The italics are mine.)

It is no wonder, with such a lukewarm advocacy of its own platform by the Party's organ and its chief spokesman, that some of the lesser figures in the Milwaukee movement — such as certain Socialist aldermen — seem to have lost the road altogether until even Mr. Berger has been forced to call a halt. For the leader of a "political machine," to use Mr. Berger's own expression, may allow himself certain liberties; but when his followers do the same, disintegration is in sight. Witness Mr. Berger's words, written only a few weeks after the Socialist victory in Milwaukee; words which seem to indicate that the tendencies he complains of were the direct result, not of slow degeneration, but of the local Party's reformistic teachings and campaign methods: —

"The most dangerous part of the situation is that some of our comrades seem to forget that we are a Socialist Party.

"They not only begin to imitate the ways and methods of the old parties, but even their reasoning and their thoughts are getting to be more bourgeois and less proletarian. To some of these men the holding of the office — whatever the office may be — seems to be the final aim of the Socialist Party. These poor sticks do not know that there are many Socialists who deplore that the necessity of electing and appointing officeholders will make it twice as hard to keep the Socialist Party pure in this country, than in other countries where the movement is relieved of this duty and danger.

"And even some of the aldermen seem to have lost their Socialist class consciousness — if they ever had any."

It is difficult to see how Mr. Berger can expect to maintain respect for principles that he teaches and applies so loosely himself. It is, furthermore, difficult to understand how he expects submission to the decisions of his organization when he himself has been on the verge of revolt both against the national and international movement. He has always avowed his profound disagreement with the methods of the Socialists in practically every State but his own. He and his associates were at one moment so far from the national and international principle that they sought to support a non-Socialist candidate for judge — on the specious ground that no Socialist was nominated. But the National Congress condemned and forbade such action by an overwhelming majority. Mr. Berger's unwillingness to act with his organization even went so far at one point that he was punished by a temporary suspension from the National Executive Committee. And, finally, he even threatened in Socialist Berlin that if the American Party, which he claimed held his views on immigration, was not allowed to have its way, it would pay no attention to the decision of the International Congress; though at the very time he was threatening rebellion the decision of the recent Congress showed that two-thirds of the American Party stood, not with him, but with the International Movement. Should he be surprised if Milwaukee aldermen, like himself, interpret Socialism as they see fit, and forget that they are a part of a Socialist Party?

But while Mr. Berger and the present policies that are guiding American "reformist" Socialists differ profoundly from those of the International movement, and resemble in some ways the policies of the non-Socialist reformers of Wisconsin and other States, in other respects there is a difference. The labor policy of the collectivist reformers and of the "reformist" Socialists might be expected to differ somewhat — not in what is ordinarily called the labor legislation, *i.e.* factory reform, workingmen's compensation, old age pensions, etc., but in their attitude to labor organizations and the labor struggle: strikes, boycotts, and injunctions.

Senator La Follette's followers are in the overwhelming majority farmers; the Wisconsin "Social-Democrats," as they call themselves, have secured little more than one per cent of the

vote of the State outside of Milwaukee and a few other towns, and even less in the country. On the other hand, the majority of the workingmen of Milwaukee and several other towns vote for the Socialists, while those who do not are usually not followers of Senator La Follette, but Catholics and Democrats. The Wisconsin "Insurgents" have as yet by no means taken the usual capitalist position in the struggle between employers and labor unions, but they have shown repeatedly that they are conscious that they represent primarily the small property holders and the business community generally, including the small shareholders of the "trusts."

La Follette's Weekly, in an important article defending direct legislation and the recall, says that the reason "we, the people," do not give enough attention to public measures is that "we are so busy with our private affairs," and continues: "Indeed, our success in our private enterprises, nay even equality of opportunity to engage in private enterprises, is coming more and more to depend upon the measure of protection which we may receive through our government from the unjust encroachments of the power of centralized Big Business." These "State Socialist" radicals represent primarily small business men and independent farmers, who are often employers, and their friendship to employees will necessarily have to be subordinated whenever the two interests come into conflict.

Mr. Berger and the Wisconsin Social-Democrats on the other hand represent primarily the workingmen of the cities, especially those who are so fortunate as to be members of labor unions. The "Social Democrats" appeal, however, for the votes of the farmers, of "the small business man," and of "the large business men who are decent employers"; they announce that the rights of corporations will be protected under their administrations, declare that they who "take the risks of business" are entitled "to a fair return"; and have convinced many that they are not for the present anti-capitalistic in their policy, though they have not as yet succeeded in getting very much capitalistic support.

For many years, indeed, the struggle between employers and unions has been less acute in Milwaukee than in many other large cities, while wages and conditions are on the whole no better. The Milwaukee Socialists have repeatedly called the attention of employers to this relative industrial peace

and have attributed it to their influence, much to the disgust of the more militant Socialists, who claim that strikes are the only indication of a fighting spirit on the part of the workers. Mr. Berger, for example, has explained "the rare occurrence of strikes in Milwaukee" as being due largely to the Social-Democrats of that city who, he says, "have opposed almost every strike that has been declared here." (10)

Certainly the attitude of the Socialists towards the employers in one of the largest industries, brewing, has on the whole been exceptionally friendly, as evidenced among other things by the Socialists' appointment of one of a leading brewery manager (who was not even a Socialist) as debt commissioner of the city, and their active campaign for the brewing interests, including a denunciation of county option, though this measure has already been indorsed by both of the capitalistic parties even in the liquor-producing State of Kentucky, as well as elsewhere, and is favored by very many Socialists, not as a means of advancing prohibition, but as the fairest present way of settling the controversy.

But even relative peace between capital and labor is not lasting in our present society and it will scarcely last in Milwaukee. Already there are signs of what is likely to happen, and the business-men admirers of Milwaukee Socialism are beginning to drop away. A few more strikes, and Berger and his associates may be forced to abandon completely their claim that it is to the interest of employers, with some exceptions, to elect Socialists to office.

The situation after a recent strike in Milwaukee is thus summed up by the *New York Volkszeitung*, a great admirer, on the whole, of the Milwaukee movement: —

"The new measures which are taken for the betterment of the city transportation system, for the preparation of better residence conditions and parks for the poorer classes of the people," says the *Volkszeitung*, "did not much disturb Milwaukee's 'Best Society.' Rather the opposite. For all these things did not at the bottom harm their interests, but were, on the contrary, quite to their taste, in so far as they rather increased than injured the pleasure of their own lives.

"But at last what had to happen, did happen. The moment a great conflict between capital and labor broke out in the great community of Milwaukee, the caliber of the city administration was bound to show itself. . . .

"The prohibition which Mayor Seidel issued to the police, not to interfere for either side, his grounds and those of the city council's

presiding officer, Comrade Melms, their instructions to the striking 'garment workers' how they should conduct the strike in order to win a victory, the admonition that they might safely call a scab a scab without official interference — all this is of decisive importance, not only for its momentary effect on the Milwaukee strike, but especially for the Socialist propaganda, for the demonstration of the tremendous advantage the working people can get even at the present moment by the election of Socialist candidates. . . .

"And now it is all over with the half well-disposed attitude that had been assumed towards our comrades in the city administration. With burning words the capitalistic and commercial authorities protest against these official expressions, as being likely to disturb 'law and order' and as having the object of stirring up the class struggle and of undermining respect for the law.

"That came about which must come about, if our Milwaukee comrades did their duty. And they have done it, at the right moment, and without hesitation. And this must never be forgotten. But the real battle between them and their capitalist opponent *begins now for the first time.*"

Here is the keynote of the situation. Only as more and more serious strikes occur will the Milwaukee movement be forced to emphasize its labor unionism rather than its reforms. It will then, in all probability, be forced to take up an aggressive labor-union attitude like that of the non-Socialist Labor Party in San Francisco. One action at least of Mayor McCarthy in the latter city was decidedly more threatening to the local employing interests than any taken in Milwaukee, which after all had met the approval of one of the capitalistic papers (*i.e.* the *Free Press*). The Bulletin of the United Garment Workers, though grateful for the attitude of the mayor in their Milwaukee strike, uses language just as laudatory concerning this action of the anti-Socialist Labor mayor of San Francisco.[b]

[b] The following account is taken from the Garment Workers' Bulletin: — "Recently the hod carriers in San Francisco presented a petition to their employers for increased pay and pressed for its consideration. This gave the members of the National Association of Manufacturers the opportunity they longed for to open war in San Francisco, and they promptly availed themselves of it. The petition was refused, of course, and two large lime manufacturers in the city took a hand. The contractors resolved on heroic measures, and work was stopped on some sixty buildings to 'bring labor to its senses.' Then Mayor McCarthy came into the controversy. He called his board of public workers together and remarked: 'I see all the contractors are tying up work because of the hod carriers' request. Better notify these fellows to at once clear all streets of building material before these structures and to move away those elevated walks and everything else from the streets.' The board so ordered. Then Mr. McCarthy said: 'Notice that those lime fellows are taking quite an interest in starting trouble. Guess we had better

The "reformist" Socialists lay much stress upon their loyalty to existing labor unions. Some even favor the creation of a non-Socialist Labor Party, more or less like those of San Francisco or Australia or Great Britain. Indeed, the reformists have often acknowledged their close kinship with the semi-Socialist wing of the British Labour Party, and this relationship is recognized by the latter. All Socialists will agree that even the reformists, as a rule, represent the interests of the labor-union movement better than other parties; but the Socialist Party is vastly more than a mere reformist trade-union party, and most Socialists feel that to reduce it to this rôle would be to deprive it of the larger part of its power even to help the unions.

In the statement of Mr. Debs already quoted in part in this chapter, he also expresses the opposition of the Socialist majority to converting the organization into a mere trade-union Party: —

"There is a disposition on the part of some to join hands with reactionary trade unionists in local emergencies and in certain temporary situations to effect some specific purpose, which may or may not be in harmony with our revolutionary program. No possible good can come of any kind of a political alliance, expressed or implied, with trade unions or the leaders of trade unions who are opposed to Socialism and only turn to it for use in some extremity, the fruit of their own reactionary policy.

"Of course we want the support of trade unionists, but only of those who believe in Socialism and are ready to vote and work with us for the overthrow of capitalism."

It would seem from the expressions of Milwaukee Socialists that they, in direct opposition to the policy of Mr. Debs, are working by opportunist methods towards a trade union party, and that form of collectivism advocated by the Labor Parties of Great Britain and Australia. But they have been in power now in Milwaukee for nearly two years and have had a strong contingent in the Wisconsin legislature, while their representative in Congress has had time to define his attitude in a series of bills and resolutions. We are in a position, then, to judge their policy not by their words alone, but also by their acts.

notify them that their temporary permits for railroad spurs to their plants are no longer in force.' And due notice went forth. The result was that the trouble with the hod carriers was settled in a week, and the contemplated industrial war in the city was indefinitely postponed. . . ."

Let us first examine their municipal policy. This assumes special importance since the installation of Socialist officials in Berkeley (California), Butte (Montana), Flint (Michigan), several smaller towns in Kansas, Illinois, and other States, as a result of the elections of April, 1911. To these victories have recently been added others (in November, 1911) in Schenectady (New York), Lima and Lorain (Ohio), Newcastle (Pennsylvania), besides very large votes or the election of minor officials in many places in Pennsylvania, Ohio, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Kansas, Illinois, Minnesota, Missouri, Wisconsin, Oregon, Washington, Utah, California, and other States.

While the officials elected received in nearly every case only a plurality (this is true also of most of those elected in Milwaukee), and local or temporary issues existed in many instances, which caused the Socialist Party to be used largely for purposes of protest, a part of the vote was undoubtedly cast for a type of municipal reform somewhat more radical than other parties have, as a rule, been ready to offer in this country; up to the present time, at least, a considerable part of the vote is undoubtedly to be accredited to convinced Socialists.

Milwaukee being as yet the only important example of an important American municipality that has rested in Socialist hands for any considerable period, I shall confine myself largely to the discussion of the movement in that city. Some of those already in office in other places have, moreover, taken the Milwaukee policy as their model and announced their intention to follow it. Mayor Seidel's statement after a year in office, and the explanations of the Rev. Carl Thompson (the city clerk) made about the same time, cover the essential points for the present discussion.

Both the statement of the mayor and that of the city clerk are concerned with matters that interest primarily the business man and taxpayer. Mr. Thompson disclaims that there is anything essentially new even in the Socialists' plans, to say nothing of their performances. He says of the most discussed municipal projects under consideration by the Socialist administration that all were advocated either by former administrations, by one or both of the older parties or by some of their leading members. He mentions the proposed river park, railway terminal station, and electric lighting plans, as well as home rule for Milwaukee, as being all

strictly conservative projects (as they are). Other plans mentioned by Mayor Seidel — harbor improvements, playgrounds, a sterilization plant, and isolation hospital — are approved, if not by the conservatives of Milwaukee, at least by those of many other cities. Some minor and less expensive proposals, a child welfare commission, a board of recreation, and municipal dances are somewhat more novel. These are all the social reforms mentioned by the mayor, as planned or accomplished, with the exception of those that have to do primarily with efficiency or economy in municipal administration, such as improvement in street cleaning, sanitary inspection and inspection of weights and measures, which all conservative reform administration seek to bring about; many cities, especially abroad, having been eminently successful in this direction.

To secure the political support of taxpayers and business men, further evidence was required to show that the administration is neither doing nor likely to do anything unprecedented. They want a safe and sane business policy, and assurances that new sources of income will, if possible, be secured and applied to the reduction of taxation; or that, in case taxes are raised, municipal reforms will so improve business and rental values, as to bring into their pockets more than the increased taxation has cost them.

Mayor Seidel and City Clerk Thompson presented entirely satisfactory evidences on all these points. Business methods have been introduced, a "complete inventory" of the property of the city is being made, "blanket appropriations" are done away with, "a new system of voucher bills has been installed," all the departments are being brought on "a uniform accounting basis." Finally, taxable property is being listed that was formerly overlooked, and the city is more careful in settling financial claims against it. Mayor Seidel and City Clerk Thompson both promise that taxes will not be increased; the former points to the new resources from property that had escaped taxation and to the future rise in value of land the city intends to purchase, the latter refers to "revenue-producing enterprises which will relieve the burden of taxation rather than increase it." Neither goes so far as to suggest any plan, like the present law of Great Britain, introduced by a capitalist government, according to which not only are the taxes of the wealthy raised, but one fifth of the future increase of value of city lands, as being

due to the community, accrues to the public treasury. It is true that such measures would have to be approved by the State of Wisconsin, but this would not prevent them being made the one prominent issue in the city campaign, and insistently demanded until they are obtained. The mayor's attitude on this tax question, which underlies all others, far from being Socialistic, is not even radical.

The tendency seems to have been widespread in the municipal campaigns undertaken by the Socialists in the fall of 1911, to abandon even radical, though capitalistic, municipal reformers' policy of raising new taxes to pay for reforms that bring modest benefits to the workers, but chiefly raise realty values and promote the interests of "business," and to substitute for this the conservative policy of reducing taxes. Thus the *Bridgeport Socialist* advised the voters: —

"Municipal ownership means cheaper water, cheaper light, cheaper gas, cheaper electricity, and a steady revenue into the city treasury *which would reduce taxes.*" (Italics mine.) (11)

One might infer that the masses of Bridgeport were already sufficiently supplied with schools, parks, and all the free services a municipality can give.

Of course it is true that a considerable part of the wage earners in our small cities own their own homes (subject often to heavy mortgages) and, *other things remaining as they are,* would like to have taxes reduced. But two facts are indisputable: the average taxes paid by the wage earners are insignificant compared with those of the wealthier classes, and the wage earner gets, at first at least, an equal share in the benefits of most municipal expenditures. The Socialists know that most of the economic benefits are later absorbed by increasing rents; and that capitalist judges and State governments will see to it that only such expenditures are allowed as have this result, or such as have the effect, through improving efficiency, of increasing profits faster than wages. Socialists recognize, however, that at least municipal collectivism is in the line of capitalist progress, with some incidental benefits to labor, while the policy of decreasing taxes on the unearned increment of land is nothing less than reaction.

The only popular ground on which such a policy could be defended is the fallacy that landlords transmit to tenants the fluctuations in taxes, in the form of increased or diminished rents. Even if this were true, the tenants would be as likely as not to profit by enlarged municipal expenditures (*i.e.* in spite of paying for a *minor* part of their cost). But in the large cities, as a matter of fact, 90 per cent of the wage earners, who are tenants, and not home owners, do not feel these fluctuations at all. Increased land taxes do not as a rule cause an increase in average rents. Increased land

taxes force unimproved land upon the market, and compel its improvement, to escape loss in holding it unimproved and idle. The resulting increased competition for tenants operates on the average to *reduce* rents, not to increase them. The taxes are paid at the cost of *reduced profits* for the landlord — until population begins to increase more rapidly than taxes. The capitalist leaders perceive the truth as regards this plainly enough. Thus, in their anxiety to get both landlord and capitalist support in the last municipal campaign in New York City, various allied real estate interests claimed credit for their work in keeping taxes down. Commenting upon the subject, the *New York Times* said: "Rents do not rise with taxes. If they did, the owner would merely need to pass the taxes along to the renter and be rid of the subject." (12) The next day Mayor Gaynor in a letter to the *Times* quoted a message he had sent to the city council in the previous year in which he had said: "Every landlord knows that he cannot add the taxes to rents. If he could, he would not care how high taxes grew. He would simply throw them on his tenants."

It is difficult, therefore, to see why the tenants of New York City or Bridgeport should favor lower taxes, so long as they and their children are in need of further public advantages that increased taxes would enable the municipalities to supply. To favor reduced taxes, while private ownership of land prevails, is not Socialism, or even progressive capitalism. It is, as I have said, *reaction.*

The *New York Volkszeitung* expresses in a few words the correct Socialist attitude on municipal expenditures. After showing the need of more money for schools, hygienic measures, etc., it concludes: —

"These increased expenditures of municipalities are thus absolutely necessary if a Socialist city government is to fulfill its tasks. Since the municipal expenditures must be raised through taxation, it is evident that a good Socialist city government must raise the taxes if it is up to the level of its duties. Provided that — as just remarked — the raising of the taxes is so managed that the possessing classes are hit by it and not the poor and the workingmen.

"Most of the Socialist municipal administrations have been shattered hitherto by the tax question; that has been especially evident in France, where the Socialists lost the towns captured by them because their administration appeared to be more costly than those of their capitalist predecessors. That has happened especially wherever the small capitalist element played a rôle in the Socialist movement.

"We shall undoubtedly have this experience in America, also, if we do not make it clear to the masses of workingmen that good city government for them means a more expensive city government,

and that they are interested in this increase of the cost of the city administration." (13)

If the Socialists promise much and perform comparatively little, they have as a valid reason the fact that the city does not have the authority. But opponents can also say, as does the Milwaukee *Journal*, that "the administration would not dare to carry out its promises to engage in municipal Socialism if it had the authority." For while municipal "Socialism" or public ownership is perfectly good capitalism, it is not always good politics in a community where the small taxpayers dominate.

While the plans for municipal wood and coal yards and plumbing shops were doubtless abandoned in Milwaukee by reason of legal limitations, and not merely to please the small traders, as some have contended, no Socialist reason can be given for the practical abandonment years ago of the proposed plan for municipal ownership of street railways. If the charter prohibited such an important measure as this, all efforts should have been concentrated on changing the charter. Socialists do not usually allow their world-wide policy, or even their present demands to be shaped by a city charter.

If Mr. Berger had announced earlier and more clearly, and if he had repeated with sufficient frequency, his recent declaration that *Milwaukee is administered by Socialists but does not have a Socialist administration*, he would have avoided a world of misunderstanding. In fact, if he had enunciated this principle with sufficient emphasis before the municipal election of 1910, it is highly probable that the Socialists would not yet have won the city, and would never have felt obligated to claim, as they often do now, that Socialists, who must direct part of their energies towards future results, are more efficient as practical reformers than non-Socialists, who are ready to sacrifice every ultimate principle, if they have any, for immediate achievements.

The whole question between reformists and revolutionaries refers not so much to the policy of Socialists in control of municipalities, which is often beyond criticism, as to the value of municipal activity generally for Socialist purposes. None deny that it has value, but reformists and revolutionaries ascribe to it different rôles.

There are two reasons why Socialism *cannot* yet be applied

on a municipal scale — one economic and one political. I do not refer here, of course, to municipal ownership, often called "municipal Socialism," a typical manifestation of "State Socialism," but to a policy that attempts to make use of the municipality against the capitalist class.

Such a policy is economically impossible to-day because it would gradually drive capital to other cities and so indirectly injure the whole population including the non-capitalists. Indeed, Mayor Seidel especially denies that he will allow any "hardship on capital," and City Clerk Thompson gives nearly a newspaper column of statistics to show that "the business of Milwaukee has continued to expand" since the Socialists came into power, remarking that "there have been no serious strikes or labor troubles in Milwaukee for years" — surely a condition which employers will appreciate. Nothing could prove more finally than such statements, how municipal governments at present feel bound to serve the business interests.

The political limitations of the situation are similar. Prof. Anton Menger says of Socialism as applied to municipalities, that "it is necessarily deferred to the time when the Socialist party will be strong enough to take into its hands the political power in the whole state or the larger part of it." It is obviously impossible to force the hands of an intelligent ruling majority merely by capturing one branch or one local division of the government. As such branches are captured they will be prevented from doing anything of importance, or forced to act only within the limits fixed by the ruling class.

This is especially true in the United States. We have elaborate forms and external symbols of local self-government, and it may really exist — as long as the municipalities are used for capitalistic purposes. When it is proposed to use local self-government for Socialist ends, however, it instantly disappears. Not only do the States interfere, with the national government ready behind them, but the centralized judiciary, state and national, is always at hand to intervene. *This is potential centralization, and for the purposes of preventing radical or Socialist measures the government of the United States is as centralized as that of any civilized nation on earth.*

Moreover, the semblance of local power given by municipal victories brings a second difficulty to the Socialists — it means the election of administrators and judges. Now even

under the system of potential centralization through the courts, *legislators* are useful, for they cannot be forced to serve capitalism. But government must be carried on and mayors and judges are practically under the control of higher authorities — in the new commission plan of government, they even do the legislating. In the words of the *New York Daily Call:* —

"The Socialist Legislator finds his task a comparatively easy and simple one. He proposes or supports every measure of advantage to the working class in particular and to the great majority of the people in general, barring such as are of a reactionary character. But the Socialist executive and the Socialist judge find themselves in no such simple situation. Their activities are circumscribed by superior and hostile powers, and by written constitutions adopted at the dictation of the capitalist class. How to harmonize their activities with the just demands of the working class for the immediate betterment of its conditions, as well as with the Socialist program which has for its goal the ultimate overthrow of the capitalist social order, and yet not come into such conflict with the superior and hostile powers as would result in their own removal from office — this question is bound to assume a gravity not yet perhaps dreamed of by the majority of American Socialists.

"And yet even now, while our political power is still small, the charge of opportunism, or the neglect of principle in pursuit of some practical advantage, is continually being raised, sometimes justly, sometimes unjustly."

The following from the *New York Evening Post,* illustrates both the political and the economic difficulty of enacting Socialistic or even radical measures in municipalities. It is taken from a special article on the situation in Schenectady, where a Socialist, Dr. George R. Lunn had just been elected mayor: —

"Schenectady is trying hard to take its dose of Socialism philosophically. Its most staid and respectable citizens, who have been staid and respectable Republicans and Democrats all their life, console themselves with the thought that, after all, Old Dorp is Old Dorp — Old Dorp being the affectionate way of referring to Schenectady — and that her best citizens are still her best citizens, and that Rev. George R. Lunn and all his Socialist crew can't do a great amount of harm in two years to a city that possesses such an ironclad charter as that with which Horace White, when he was a Senator, endowed every city of the second class in the Empire State. The conservative element in town back that charter against all the reforms that the minister who is to be mayor and his following of machinists, plumbers, coachmen, and armature winders from the

General Electric Works, who are going to be common councillors and other things, can hope to introduce. . . .

"The General Electric works — as everybody agrees — 'made' Schenectady. Census figures show it and statistics of one sort or another show it. The concern employs more than 16,000 men and women — as many persons as there are voters in the whole town. It owns 275 acres of land, and of this about 60 acres are occupied with shops and buildings. Its capital stock is valued at $80,000,000. The General Electric, or as it is called up here, the 'G. E.,' has given work to thousands, has brought a lot of business into town, has made real estate in hitherto deserted districts valuable. On the tax assessors' books its property is assessed at $4,500,000. It is safe to say that this is less than 25 per cent of its true value.

"If Dr. Lunn should attempt to meddle with the 'G. E.'s' assessment, Schenectady knows very well what would happen. The General Electric Company would pack up and move away to some other town that is pining for a nice big factory and does not care much how small taxes it pays. That is the situation. Of course everybody agrees that the company ought to be paying more, but when it comes to a question of leaving well enough alone or losing the company entirely, Schenectady says leave well enough alone, by all means. The loss of the 'G. E.' works would be a disaster, from which the Old Dorp would never recover. Why, even now the company has just opened a brand new plant in Erie, Philadelphia, and if Schenectady does not behave, what is to prevent the 'G. E.' from moving all its belongings to Erie?

"Dr. Lunn has not had much to say regarding this phase of his taxation reforms. The day after his election he issued a statement, however, which showed that he did not intend to do anything extremely radical: —

"'In the matter of taxation we have had something to say during the campaign, but we Socialists are too good economists not to know that the burdening of our local industries in the way of taxation above that placed upon them in other cities would be foolhardy. Under the present system, to which we are opposed, manufacturing concerns have their rights, and any special burden placed upon them by one community above that which is placed upon them in other communities would inevitably and of neccssity, from the standpoint of economics, hinder their progress. We are not in favor of hindering their progress. We stand for the greatest progress along every line. We will not only encourage industries in every way consistent with our principles, but will endeavor to bring new industries to Schenectady, and furthermore, we will succeed in doing it.'" (14)

The newly elected mayor is quoted by *Collier's Weekly*, as saying: "We are only trying to conduct the city's business

in the same honest way we should run our own business." *Collier's* says that the Socialists generally "make their impression by mere business honesty and efficiency," distinguishes this from what it calls the "harmful kind of Socialism," and concludes that, "watching the actual performances of those who choose to call themselves Socialists, we are thus far unable to be filled with terror." (15)

Nearly all the comment at the time of the Socialist municipal victories in the fall of 1911 pointed out, in similar terms, the contrast between the very restricted opportunities they offer for the revolutionary program of Socialism. The editorial in the *Saturday Evening Post* is typical: —

"Theoretically Socialism is the most ambitious of political programs, involving nothing short of a whole-nation-wide or world-wide revolution; but, except a solitary Congressman and seventeen members of State legislatures, Socialists so far have been elected only to local offices, and those usually of an *administrative* rather than legislative nature — elected, that is, not to bring in a brand-new, all-embracing revolutionary program, but to work the lumbering old bourgeois machine in a little honester, more intelligent, kindlier manner perhaps than some Republican or Democrat would work it.

"Designing a new world is more fascinating than scrubbing off some small particular dirt spot on the old one — but less practical." (My italics.) (16)

Even where *revolutionary* Socialists carry a municipality, as they did recently in Newcastle, Pennsylvania, the benefit to the labor movement is probably only temporary. There the Socialist administration dismissed the whole police force and filled their places with Socialists. The result will undoubtedly be that the State will either make the police irremovable, except by some complicated process, or will still further extend the functions of the State constabulary in times of strike. The moral effect of the victory in Newcastle, like that in Schenectady, after the bitter labor struggles of recent years, cannot be questioned, and this, together with temporary relief from petty persecution by local authorities, is doubtless worth all the efforts that have been put forth — provided the Socialists have not promised themselves and their supporters any larger or more lasting results.

It is in view of difficulties such as these, which exist to some degree in all countries, that in proportion as Socialists gain experience in municipal action, they subordinate it to other forms of activity. Only such "reformists" as are

ready to abandon the last vestiges of their Socialism persist in emphasizing a form of action that has a constant tendency to compel all those involved to give more and more of their time and energy to serving capitalism. Among the first Socialist municipalities were those of Lille and Roubaix in France — which fell a number of years ago into the hands of Guesdists, the revolutionary or orthodox wing of the party. Rappoport reports their present position on this question as presented at the recent Congress at St. Quentin, 1911.

"Among the Guesdists there are no municipal theorists but a great many practical municipal men, former or present mayors: Delory (Lille), Paul Constans (Montucon), Compère-Morel, Hubert (Nîmes), only to mention those present at the Congress. *Through experience they have learned that what is called municipal Socialism, is good local government, but in no sense Socialism.* Free meals for school children, weekly subsidies for child-bearing women, etc., are useful to the working people; this is not Socialism, but 'collective philanthropy' according to Compère-Morel. Reforms are good, but the main thing is Socialism. The Guesdists are no adherents of the doctrine, 'all or nothing,' but they are also no admirers of the new doctrine of municipal Socialism."

There can be little doubt that a few years of experience in this country will persuade those American Socialists who are now concentrating so much of their attention on municipalities, to give more of their energies to State legislatures and to Congress. The present efforts will not be lost, as they can be easily turned into a new direction. And whatever political reaction may seem to take place, after certain illusions have been shattered, will be a seeming reaction only, and due to the desertion from the ranks of the supporters of the Socialist ticket of municipal reformers who never pretended to be Socialists, but who voted for that Party merely because no equally reliable non-Socialist reformers were in the field, or had so good a chance of election. Such separation of the sheep from the goats will be specially rapid when some variation of the so-called commission form of government will have been gradually introduced, particularly where it is accompanied by direct legislation and the recall. For then municipal Socialists will be deprived of all opportunity of claiming this, that, and the other reform as having some peculiar relation to Socialism. And this day is near at hand.

All municipal reforms that interest property owners and

non-property owners alike will then be enacted with comparative ease and rapidity, while all political parties, and all prolonged political struggles, will center around the conflict between employers and employees. State and national governments will see to it that no municipality in the hands of the working class is allowed to retain any power that it could use to injure or weaken capitalism. And this specific limitation of the powers of municipalities that escape local capitalist control, will be so frequent and open that all the world will see that Socialists are going to achieve comparatively little by "capturing" local offices.

I have already mentioned in a general way the position of the Milwaukee Socialists in the Wisconsin legislature. Let me return now to their representative in Congress. Mr. Berger had differentiated himself from previous trade union Congressmen largely by proposing a series of radical *political* reforms: the abolition of the Senate, of the President's veto, and of the power of the Supreme Court over the legislation of Congress, and a call for a national constitutional convention. Radical as they are, it is probable that these reforms are only a foreshadowing of the position rapidly being assumed by a large part of the collectivist but anti-Socialist "insurgents," and "progressives." Even Mr. Roosevelt and Justice Harlan, it will be recalled, protest in the strongest terms against the power of the Supreme Court over legislation, and the Wisconsin legislature, by no means under Socialist control, has initiated a call for a national constitutional convention.

In proposing his "old-age pension" bill, Mr. Berger appended a clause which asserted that the measure should not be subject to the interpretation of the Supreme Court, and showed that Congress had added a similar clause to its Reconstruction Act in 1868 and that it had later been recognized by the Supreme Court. Later the *Outlook* suggested that this was a remedy less radical than the widely popular recall of judges, and remarked that it would only be to follow the constitution of most other countries. (17) Also Senator Owen, on the same day on which Mr. Berger introduced his bill, spoke for the recall of federal judges on the floor of the United States Senate. It is impossible, then, to make any important distinction between Mr. Berger's proposed *political* reforms, sweeping as they are, and those of other radicals of the day.

The attitude of many of the "Insurgents" and "Pro-

gressives" of the West, is also about all that mere trade unionists could ask for. A large majority of this element in both parties favors the repeal of the Sherman law as applied to labor union boycotts, and Senator La Follette and others stand even for the right of government employees to organize labor unions. The adoption of the recall of judges, owing largely to non-Socialist efforts in Oregon, California, and Arizona, will make anti-union injunctions in strikes and boycotts improbable in the courts of those States, and the widely accepted proposal for the direct election of the federal judiciary would have a similar effect in the federal courts. It may be many years before these measures become general or effective, but there can be no question that they are demanded by a large, sincere, and well-organized body of opinion outside of the Socialist Party. The Wisconsin legislature and most other progressive bodies have so far failed to limit injunctions. But this has been done in the constitution of Oklahoma, and I have suggested reasons for believing that this prohibition may soon be favored by "Progressives" generally.

In the first Socialist speech ever made in Congress, Mr. Berger laid bare his economic philosophy and program. The subject was the reduction of the tariff on wool and its manufactures, and Mr. Berger defined his position on the tariff as well as still larger issues. He declared himself practically a free trader, though of course he did not consider free trade as a panacea, and his speech, according to the Socialist as well as other reports, was received with a storm of applause — especially, of course, from free-trade Democrats.

He pointed out that the manufacturer, having thoroughly mastered the home market, had found that tariff wars were shutting him out from the foreign markets he now needs. He might have added, as evidenced by the nature of the proposed reciprocity treaty with Canada, that many manufacturers are more interested in cheap raw material and cheap food for their workers (cheap food making low wages possible, as in free-trade Great Britain) than they are in a high tariff, and this even in some instances where they have a certain need for protection for the finished product and where no great export trade is in view.

Mr. Berger forgot England when he said that the tariff falls on the poor man's head, for England has shown that the abolition of the tariff does not benefit the poor man in the slightest degree. Poverty is far more widespread there than

here. He pointed to the fact that the importation of goods into the United States was restricted, while that of labor was not. He forgot that where both are restricted, as in Australia, the workers are no better off than here.

The arguments employed in Mr. Berger's speech, in so far as they referred to the tariff, were for the most part not to be distinguished from those used by the Democrats in behalf of important capitalistic elements of the population, and hence the welcome with which they were received by the Democratic Congress and press. The Socialist matter in the speech relating only indirectly to the tariff was, of course, less favorably commented upon.

Mr. Berger's second speech before Congress was also significant. It was in support of governmental old-age pensions, a very radical departure for the United States and difficult of enactment because of our federal system — but already, as Mr. Berger said, in force in Great Britain, France, Germany, Austria, Italy, Australia, New Zealand, and Canada. Since the legislatures in all these countries are controlled by opponents of Socialism, it is evident that such measures have been adopted from other than Socialist motives. In fact they have no necessary relation to Socialism at all, but, on the contrary, have been widely enacted for capitalistic reasons without regard to the demands or power of the workers.

Mr. Berger is reported to have said a few days after this speech: "The idea will in five years have been incorporated into law. Both of the old parties within that time will have incorporated the theory into their platforms. Both the old parties to-day are approaching Socialistic ideas, and appropriating our ideas to save themselves from the coming overthrow." (18) The idea of governmental old-age pensions, on the contrary, has always been popular in certain anti-Socialist circles and is entirely in accord with any intelligent system of purely capitalistic collectivism. Its common adoption by progressive capitalists would seem to indicate that they consider it as being either directly or indirectly conducive to their own interests. It is unnecessary to assume that they adopt it from fear of Socialism. Few if any capitalists consider the overthrow of capitalism as imminent, or feel that Socialism is likely for many years to furnish them with a really acute political problem. A combination of Republicans and Democrats, for example, with a full vote, would easily overwhelm Mr. Berger, the sole Socialist Congressman

in his own Congressional district. If present political successes continue, it will still take years for Socialism to send a score of representatives to Congress, and when it does do so, they will be as impotent as ever to overthrow the capitalist order.

For any independent representative without political power or responsibility to propose radical reforms in advance of the larger parties is a very simple matter. Statesmen with actual power cannot afford to take up such reforms until the time is *politically* ripe for their practical consideration. When such a measure is passed, for the individual or group that first proposed it to claim the credit for the change would be absurd. These reforms, when conditions have suitably evolved, become the order of the day, and are urged by all or nearly all the forces of the time. The radical British old-age pension bill, it will be remembered, was passed almost unanimously, although in the Parliament that passed it there were only about 40 Socialist or semi-Socialist representatives out of a total of 670 members.

What, then, could be more fatuous than such a view as the following, expressed recently by a well-known Socialist: —

"Do you not think that the whole country should be apprised that this (Berger's Old-age Pension bill) is a Socialist measure, introduced by a Socialist Representative, and backed by the Socialist Party — before the Republicans and Democrats realize the advisability of stealing our thunder. In England the working-class political movement is stagnant because the Liberal Party has out-generaled the Socialists by voluntarily enacting great social reforms." (19)

In his anxiety to prepare a bill that capitalist legislators would indorse and pass in the near future, Mr. Berger aroused great criticism within the Party. The *New York Volkszeitung* pointed out that in limiting the benefit of the law to those who had been naturalized citizens of the United States for sixteen years, he was requiring a residence of twenty-one years in this country, a provision which involved an excessively heavy discrimination against a very large proportion of our foreign-born workers. Mr. Berger's project, moreover, demanded that those convicted of felonies should also be excluded. Socialists, as is well known, have always asserted that the larger part of crimes and criminals were due to injustices of the existing social order, for which the "criminals" were in no sense to blame. Mr. Berger's secre-

tary, Mr. W. J. Ghent, vigorously defended this clause, on the typical "State Socialist" ground that the future Society would deal *more severely* with criminals than the present one.

Mr. Berger's bill was objected to by New York Socialists on the ground that the old parties could be expected to give a more liberal bill in the near future, and that it would then be difficult to explain the narrower Socialist position. Mr. Ghent answered that nowhere had such a liberal measure been enacted. To this the *Volkszeitung* remarked that there is a tremendous difference between a bill that owes its origin to a capitalist government and one that comes from a Socialist representative of the working class: "The former sets up a minimum while the latter must demand the maximum." Finally, the *New York Local* of the Socialist Party resolved: "That we request the National Executive Committee to resolve that Comrade Berger shall, before introducing any bill, submit it to secure its approval by the National Executive Committee."

Mr. Berger's maiden speech also summed up excellently the general policy of Socialist "reformism."

"When the white man is sick or when he dies," he said, "the employer usually loses nothing." Mr. Berger does not understand that, in modern countries, *employers as a class* are seeing that the *laborers as a class* are, after all, their chief asset: and are therefore organizing to care for them through governmental action, as working animals, even more systematically and infinitely more scientifically than slaves were ever cared for. He is exhausting his efforts to persuade, or perhaps he would say to compel, the government to the very action that the interests of its capitalist masters most strongly demand.

Curiously enough, Mr. Berger expressed the "reformist," the revolutionary, and the State capitalist principle in this same speech, without being in the least troubled with the contradictions. He spoke of industrial crises, irregular employment and unemployment as if they were permanent features of capitalism: —

> "These new inventions, machines, improvements, and labor devices, displace human labor and steadily increase the army of unemployed, who, starved and frantic, are ever ready to take the places of those who have work, thereby still further depressing the labor market."

The collectivist capitalists have already set themselves aggressively to work to abolish unemployment, to make employment regular, to connect the worker that needs a job with the job that needs a worker, and to put an end to industrial crises, and with every promise of success.

Immediately afterward, Mr. Berger made a correct statement of the Socialist position: —

"The average of wages, the certainty of employment, the social privileges, and the independence of the wage-earning and agricultural population, *when compared with the increase of wealth and social production,* are steadily and rapidly decreasing."

The Socialist indictment is not that unemployment, irregularity of employment, or any other social evil is increasing absolutely, or that it is beyond the reach of capitalist reform; but that *the share of the constantly increasing total of wealth and prosperity that goes to the laborers is constantly growing less.*

A few minutes later in the same speech, Mr. Berger indorsed pure "State Socialism." Legislation, he said, that does not tend to *an increased measure of control on the part of society as a whole* is not in line with the trend of economic evolution and cannot last. This formulates capitalistic collectivism with absolute distinctness. What it demands is not a new order, but more order. What it opposes is not so much the rule of capitalists, as the disorder of capitalism — which capitalists themselves are effectively remedying. It is not only our present government that is capitalistic but our present society, also. Increased control over industry, over legislation and government, on the part of the present society *as a whole*, would be but a step toward the achievement of *State capitalism.* The purpose of Socialism is to overcome and eliminate the power of capitalism whether in society or in government, and not to establish it more firmly. Increased control by society as a whole, far from being a Socialist principle, is not necessarily even radical or progressive. In fact *the most far-seeing conservatives* to-day demand it, for *"control by society as a whole"* means, for the present, *control by society* as it is.

Finally, in reply to questions asked on the floor of Congress after this same speech, Mr. Berger said: "Any interference by the government with the rights of private property is Socialistic in tendency," that is, that every step in collectiv-

ism is a step in Socialism. Yet this demand for the restriction of the rights of private property by a conservative government is the identical principle advocated by progressives who will have nothing to do with Socialism. (See Part I, Chapter III.)

Mr. Berger and the large minority of Socialist Party members that vote with him in Party Congresses and referendums may be said to represent a combination of trade unionism of the conservative kind, and "State Socialism," together with opportunistic methods more or less in contradiction with the usual tactics of the international movement. These methods and the indiscriminate support of conservative unionism have been repeatedly rejected by the Socialists in this country. But very many Socialists who repudiate all compromise and will have nothing of Australian or British Labor Party tactics in the United States are in entire accord with Mr. Berger on "State Socialist" reform. It is thus a modified form of "State Socialism" and not Laborism that now confronts the organization and creates its greatest problem.

Mr. Charles Edward Russell, for example, says that "we are not striving for ourselves alone, but for our children, that "our aim is not merely for one country, but for all the world," that "we stand here immutably resolved against the whole of capitalism." (20) And Mr. Russell will hear nothing either of compromise or of a Labor Party. But when we come to examine the only question of practical moment, how his ideal is to be applied, we are astounded to read that, "every time a government acquires a railroad, it practices Socialism." (21)

Mr. Russell points out that "almost all the railroads in the world, outside of the United States, are now owned by government," yet in his latest book, "Business," he refers to Prussia, Japan, Mexico [under Diaz], and other countries as having boldly purchased railways and coal mines when they desired them *for the common good.* (22) Mr. Russell here seems to overlook the fact that the history of Russia, Japan, Mexico, and Prussia has shown that there is an intermediate stage between our status and government "for the Common Good," a stage during which the capitalist class, having gained a more firm control over government than ever, intrusts it (with the opposition of but a few of the largest capitalists) with some of the most important business functions.

Yet Mr. Russell himself admits, by implication, that government by Business "properly informed and broadly enlightened" might continue for a considerable period, and therefore directs his shafts largely against Business Government "as at present conducted," and he realizes fully that the most needed *reforms*, even when they directly benefit the workingmen, are equally or still more to the benefit of Business: —

"In the first place, if the masses of people become too much impoverished, the national stamina is destroyed, which would be exceedingly bad for Business in case Business should plunge us into war. In the second place, since poverty produces a steady decline in physical and mental capacity, if it goes too far, there is a lack of hands to do the work of Business and a lack of healthy stomachs to consume some of its most important products.

"For these reasons, a Government for Profits, like ours, incurs certain deadly perils, *unless it be properly informed and broadly enlightened.*

"Something of the truth of this has already been perceived by the astute gentlemen that steer the fortunes of the Standard Oil Company, a concern that in many respects may be considered the foremost present type of Business in Government. One of the rules of the Standard Oil Company is to pay good wages to its employees, and to see that they are comfortable and contented. As a result of this policy the Standard Oil Company is seldom bothered with strikes, and most of its workers have no connection with labor unions, do not listen to muck-rakers and other vile breeders of social discontent, and are quite satisfied with their little round of duties and their secure prospects in life. . . .

"Unless Business recognizes quite fully the wisdom of similar arrangements for its employees, Business Government (*as at present conducted*) will in the end fall of its own weight." (23) (My italics.)

Surely nobody has given more convincing arguments than Mr. Russell himself why Business Government should go in for government ownership and measures to increase the efficiency of labor. Surely no further reasons should be needed to prove that when a government purchases a railroad today, it does not practice Socialism. Yet the reverse is sustained by a growing number of members of the Socialist Party (though not by a growing proportion of the Party), which indicates that the Socialism of Bebel, Liebknecht, Kautsky, Guesde, Lafargue, and the International Socialist Congresses is at present by no means as firmly rooted in this country as it is on the Continent of Europe.

CHAPTER V

REFORM BY MENACE OF REVOLUTION

An American Socialist author expresses the opinion of many Socialists when he says of the movement: "It strives by all efforts in its power to increase its vote at the ballot box. It believes that by this increase the attainment of its goal is brought ever nearer, and also that *the menace of this increasing vote* induces the capitalist class to grant concessions in the hope of preventing further increases. *It criticizes non-Socialist efforts at reform as comparatively barren of positive benefit* and as tending, on the whole, to insure the dominance of the capitalist class and to continue the grave social evils now prevalent." (1) (My italics.)

Because non-Socialist reforms tend to prolong the domination of the capitalist class, which no Socialist doubts, it is asserted that they are also comparatively barren of positive benefit. And if, from time to time and in contradiction to this view, changes are bought about by non-Socialist governments which undeniably do very much improve the condition of the working people, it is reasoned that this was done by the *menace* either of a Socialist revolution or of a Socialist electoral majority.

"A *Socialist* reform must be in the nature of a working-class conquest," says Mr. Hillquit in his "Socialism in Theory and Practice" — expressing this very widespread Socialist opinion. He says that reforms inaugurated by small farmers, manufacturers, or traders, cause an "arrest of development or even a return to conditions of past ages, while the reforms of the more educated classes if less reactionary are not of a more efficient type."

"The task of developing and extending factory legislation falls entirely on the organized workmen," according to this view, because the dominant classes have no interest in developing it, while the evils of the slums and of the employment of women and children in industry can be cured only by Socialism. Such reforms as can be obtained in this direction,

though they are not considered by Mr. Hillquit "as the beginnings or installments of a Socialist system," he holds are to be obtained only with Socialist aid. In other words, while capitalism is not altogether unable or unwilling to benefit the working people, it can do little, and even this little is due to the presence of the Socialists.

Another example of the "reformist's" view may be seen in the editorials of Mr. Berger, in the *Social-Democratic Herald*, of Milwaukee, where he says that the Social-Democrats never fail to declare that with all the social reforms, good and worthy of support as they may be, conditions *cannot be permanently improved.* That is to say, present-day reforms are not only of secondary importance, but that they are of merely temporary effect.

"There is nothing more to hope from the property-holding classes."

"The bourgeois reformers are constantly getting less progressive and allying themselves more and more with the reactionaries."

"It is impossible that the capitalists should accomplish any important reform."

"With all social reform, short of Socialism itself, conditions cannot be permanently improved."

These and many similar expressions are either quotations from well-known Socialist authors or phrases in common use. Many French and German Socialists have even called the whole "State Socialist" program "social-demagogy." As none of the reforms proposed by the capitalists are sufficient to balance the counteracting forces and to carry society along their direction, Socialists sometimes mistakenly feel that *nothing whatever of benefit* can come to the workers from capitalist government. As the capitalists' reforms all tend "to insure the dominance of the capitalist class," it is denied that they can cure any of the grave social evils now prevalent, and it is even asserted that they are reactionary.

"For how many years have we been telling the workingman, especially the trade unionist," wrote the late Benjamin Hanford, on two successive occasions Socialist candidate for Vice President of the United States "that it was folly for him to beg in the halls of a capitalist legislature and a capitalist Congress? Did we mean what we said? I did, for one. . . . I not only believed it — I proved it." Obviously there are many political measures, just as *there are many im-*

provements in industry and industrial organization, that may be beneficial to the workers as well as the capitalists, but it is also clear that such changes will in most instances be brought about by the capitalists themselves. *On the other hand, even where they have a group of independent legislators of their own,* however large a minority it may form, the Socialists can expect no concessions of political or economic power until social revolution is at hand.

The municipal platform adopted by the Socialist Party in New York City in 1909 also appealed to workingmen not to be deluded into the belief "that the capitalists will permit any measures of real benefit to the working class to be carried into effect by the municipality so long as they remain in undisputed control of the State and federal government and especially of the judiciary." This statement is slightly inaccurate. The capitalists will allow the enactment of measures that benefit the working class, provided those measures do not involve loss to the capitalist class. Thus sanitation and education are of real benefit to the workers, but, temporarily at least, they benefit the capitalist class still more, by rendering the workers more efficient as wealth producers.

The Socialist platforms of the various countries all recognize, to use the language of that of the United States, that all the reforms indorsed by the Socialists "are but a preparation of the workers to seize the *whole* power of government, in order that they may thereby lay hold of the *whole* system of industry and thus come to their rightful inheritance." (Italics are mine.) This might be interpreted to mean that through such reforms the Socialists are gaining control over parts of industry and government. Marx took the opposite view; "the first step in the revolution by the working class is to raise the proletariat to the position of ruling power. . . ." He left open no possibility of saying that the Socialists thought that without overthrowing capitalism they could seize a *part* of the powers of government (though they were already electing legislative minorities and subordinate officials in his day).

Sometimes there are still more ambiguous expressions in Socialist platforms which even make it possible for social reformers who have joined the movement to confess publicly that they use it exclusively for reform purposes, and still to claim that they are Socialists (see Professor Clark's ad-

vice in the following chapter). For example, instead of heading such proposals as the nationalization of the railroads and "trusts" and the State appropriation of ground rent "reforms indorsed by Socialists," they have called such reforms, perhaps inadvertently, "*Immediate Demands*," and the American platform has referred to them as measures of relief which "we may be able to *force* from capitalism." There can be no doubt that Marx and his chief followers, on the contrary, saw that such reforms would come from the capitalists without the necessity of any Socialist force or demand — though this pressure might hasten their coming (see Part I, Chapter VIII). They are viewed by him and an increasing number of Socialists not as *concessions to Socialism forced from the capitalists, but as developments of capitalism desired by the more progressive capitalists and Socialists alike, but especially by the Socialists* owing to their desire that State capitalism shall develop as rapidly as possible — as a preliminary to Socialism, — and to the fact that the working people suffer more than the capitalists at any delay in the establishment even of this transitional state.

The platform of the American Party just quoted classes such reforms as government relief for the unemployed, government loans for public work, and collective ownership of the railways and trusts, as measures it may be able "to force from capitalism," as "a preparation of the workers to seize the whole power of government." But if the capitalists do enact such reforms as these, not on the independent grounds I have indicated, but out of fear of Socialism, as is here predicted, why should not the process of coercing capitalism continue indefinitely until gradually all power is taken away from them? Why should there be any special need to "seize" the whole power, if the capitalists can be coerced even now, while the government is still largely theirs?

Some "reformists" do not hesitate to answer frankly that there is indeed no ground for expecting any revolutionary crisis. Mr. John Spargo feels that reforms "will prove in their totality to be the Revolution itself," and that if the Socialists keep in sight this whole body of reforms, which he calls the Revolution, "as the objective of every Reform," this will sufficiently distinguish them from non-Socialist reformers. Mr. Morris Hillquit also speaks for many other influential Socialists when he insists that the Socialists differ from other Parties chiefly in that they alone "see the clear connection

and necessary interdependence" between the various social evils. That there is no ground for any such assertion is shown by the fact that the social evils discussed in the capitalist press, and all the remedies which have any practical chance of enactment, as is now generally perceived, are due to extreme poverty, the lack of order in industry, and the need of government regulations, guided by a desire to promote "efficiency," and to perfect the *capitalist* system. Non-Socialist reformers have already made long strides toward improving the worst forms of poverty, without taking the slightest step towards social democracy. These reforms are being introduced more and more rapidly and are not likely to be checked until what we now know as poverty and its accompanying evils are practically abolished *by the capitalist class while promoting their own comfort and security.* This, for example, is, as I have shown, the outspoken purpose of Mr. Lloyd George and his capitalistic supporters in England. Similarly, it is the outspoken purpose of the promoters of the present "efficiency" movement among the business men of America. However the material conditions of the working classes may be bettered by such means, their personal liberty and political power may be so much curtailed in the process as to make further progress by their own associated efforts more difficult under "State Socialism" than it is to-day.

The State platform of the Socialist Party of New York in 1910, while seemingly self-contradictory in certain of its phrases, makes the sharpest distinctions between Socialism and "State Socialist" reform. Its criticism of reform parties is on the whole so vigorous and its insistence on class struggle tactics so strong as to make it clear that there is no expectation of reaching Socialism through reforms granted, from whatever motive, by a non-Socialist majority. I have italicized some significant phrases: —

"The two dominant political parties pretend to stand for all the people; the so-called reform parties claim to speak for the good people; the Socialist party frankly acknowledges that it is concerned chiefly with the working people. . . .

"The great fortunes of the wealthy come from the spoliation of the poor. Large profits for the manufacturers mean starvation wages for the workers; the princely revenues of the landlords are derived from excessive rents of the tenants, and the billions of watered stock and bonds crying for dividends and interest are a perpetual

mortgage upon the work and lives of the people of all generations to come. . . .

"*No political party can honestly serve all the people of the state* — those who prey and those who toil; those who rob and those who are robbed. *The parties as well as the voters of this state must take their stand in the conflict of interests of the different classes of society* — they must choose between the workers and their despoilers.

"The Republican and Democratic Parties alike always have been the tools of the dominating classes. They have been managed, supported, and financed by the money powers of the State, and in turn they have conducted the legislatures, courts, and executive offices of the State as accessories to the business interests of those classes.

"These vices of our government are not accidental, but are deeply and firmly rooted in our industrial system. To maintain its supremacy in this conflict the dominating class *must* strive to control our government and politics, and must influence and corrupt our public officials.

"The two old parties *as well as the so-called reform parties of the middle classes*, which spring up in New York politics from time to time, all stand for the continuance of that system, hence they are bound to perpetuate and to aggravate its inevitable evils. . . ."

The New York Party had immediately before it the example of Mr. Hearst, who has gone as far as the radicals of the old parties in Wisconsin, or Kansas, Oklahoma, California, or Oregon in verbally indorsing radical reform measures, and also of Mr. Roosevelt, who occasionally has gone almost as far. Day after day the Hearst papers had sent out to their millions of readers editorials which contain every element of Socialism except its essence, the class struggle. The New York Party, like many in other Socialist organizations, found itself *compelled by circumstances to take a revolutionary stand.*

For when opportunistic reformers opposed to the Socialist movement go as far as the Hearst papers in indorsing "State Socialist" reforms, what hope would there be for Socialists to gain the public ear if they went scarcely farther, either as regards the practical measures they propose or the phrases they employ? If the "reformist" Socialists answer that their *ultimate aim* is to go farther, may they not be asked what difference this makes in present-day affairs? And if they answer that certain reforms must be forced through by Socialist threats, political or revolutionary, will they not be told, first that it can be shown that the whole "State Socialistic" reform program, if costly to many individual capitalists,

promises to prove *ultimately profitable* to the capitalist class, and second, that it is being carried out where there is no present menace either of a Socialist revolution or even of a more or less Socialistic political majority.

But the position of the politically ambitious among so-called "orthodox" Socialists (I do not refer to personal or individual, but only to partisan ambition) is often very similar at the bottom to that of the "reformists"; while the latter contend that capitalism can grant few if any reforms of any great benefit to the working people *without Socialist aid*, some of the orthodox lay equal weight on Socialist agitation for these same reforms, on the ground that they cannot be accomplished by collaborating with capitalist reformers at all, but *solely through the Socialist Party.*

"The revolutionary Marxists," says the French Socialist, Rappaport, "test the gifts of capitalistic reform through its motives. And they discover that these motives are not crystal clear. The reformistic patchwork is meant to prop up and make firmer the rotten capitalistic building. They test capitalistic reforms, moreover, by the means which are necessary for their accomplishment. These means are either altogether lacking or insufficient, and in any case they flow in overwhelming proportion out of the pockets of the exploited classes." (2)

We need not agree with Rappaport that capitalistic reforms bring no possible benefit to labor, or that the capitalistic building is rotten and about to fall to pieces. May it not be that it is strong and getting stronger? May it not be that the control over the whole building, far from passing into Socialist hands, is removed farther and farther from their reach, so that the promise of obtaining, not reforms of more or less importance, but a fair and satisfactory *share* of progress *without conquering capitalism* is growing less?

Thus many orthodox and revolutionary Socialists even, to say nothing of "reformists," become mere political partisans, make almost instinctive efforts to credit all political progress to the Socialist Parties, contradict their own revolutionary principles. All reforms that happen to be of any benefit to labor, they claim, are due to the pressure of the working classes within Parliaments or outside of them; which amounts to conceding that the Socialists are already sharing in the power of government or industry, a proposition that the revolutionaries always most strenuously deny. For if

Socialists are practically sharing in government and industry to-day, the orthodox and revolutionists will have difficulty in meeting the argument of the "reformists" that it is only necessary to continue the present pressure in order to obtain more and more, without any serious conflicts, until all Socialism is gradually accomplished.

Kautsky makes much of the capitalists' present fear of the working classes, though in his opinion this fear makes not only for "concessions" but also for reactions, as in the world-wide revival of imperialism. Foreign conquests, he believes, are the only alternative the governing classes are able to offer to the glowing promises of the Socialists. It is for this reason, he believes, that the capitalists are relying more and more on imperialism, even though they know that the conquest of colonies is no longer possible to the extent it was before, and realize that the cost of maintaining armaments is rapidly becoming greater than colonial profits. But this also is to underestimate the resources of capitalism and its capacity for a certain form of progress. If the capitalists are not to be forced to concessions, neither are they to be forced, unless in a very great crisis, to reactionary measures that in themselves bring no profit. The progressive "State Socialist" program is, as a rule, a far more promising road to popularity from their standpoint than is reactionary imperialism.

In Kautsky's view the bourgeoisie is driven by the fear of Socialism, in a country like Germany to reaction, and in one like England to *attempt* reform. In neither case will it actually proceed to reforms of any considerable benefit to labor, apparently because Kautsky believes that all such reforms would inevitably strengthen labor relatively to capital, and will therefore not be allowed. Similarly, he feels that the capitalists will refuse all concessions to political democracy (on the same erroneous supposition, that they will inevitably aid labor more than capital).

For example, the British Liberals have abolished the veto of the House of Lords, but only to increase the power of other capitalists against landowners, while the Conservatives have proposed the Referendum, but only to protect the Lords. From 1884 to 1911 neither Party had introduced any measure to democratize the House of Commons and so to increase the representation of labor. Kautsky reminds us of the plural voting, unequal electoral districts, and absence

of primary and secondary elections. This he believes is evidence that the capitalists fear to extend political democracy farther. They even fear the purely economic reforms that are being enacted, he claims, and at every concession made to labor desert the Liberals to join the Conservatives. Land reform, taxation reform, the eight-hour day, are being carried out, however. But when it comes to such matters as an extended suffrage, the capitalists will balk. His conclusion is that if economic reforms are to continue, if, for example, the unemployed are to be set to work by the government, or if political reforms are to be resumed, the Labourites have to free themselves from the tutelage of the Liberal Party. And if they do this, they can play so effectively on capitalist fears as to force an extension of the suffrage and even change the British Parliament into a "tool for the dictatorship of the working class." As in Germany, all political advance of value to labor must be obtained through playing on capitalist fears — only in England the process may be more gradual and results easier to obtain.

"Every extension of the suffrage to the working class must be fought for to-day," says Kautsky, "and it is only thanks to the *fear* of the working class that it is not abolished where it exists." By a strange coincidence Kautsky renewed the prediction that the capitalistic Radical government of England would never extend the ballot except when forced by Labor only a few days before Prime Minister Asquith officially, without any special pressure from Labor, pledged it to equal and universal (manhood) suffrage. The passage follows: —

"In England the suffrage is still limited to-day, and capitalistic Radicalism, in spite of its fine phrases, has no idea of enlarging it. The poorest part of the population is excluded from the ballot. In all Great Britain (in 1906) only 16.64 per cent possessed, against 22 per cent in Germany. If England had the German Reichstag suffrage law, 9,600,000 would be enfranchised, instead of 7,300,000, *i.e.* 2,300,000 more." (3)

Kautsky's view that capitalists cannot bend a more or less democratic government to their purposes and therefore will not institute such a government, unless forced to do so, is undoubtedly based on German conditions. He contends that the hope of the German bourgeois lies not in democracy nor even in the Reichstag, but in the strength of Prussia, which

spells Absolutism and Militarism. He admits in one passage that conditions may be different in the United States, England, and British colonies, and under certain circumstances in France, but for the peoples of eastern Europe advanced measures of democracy such as direct legislation belong to "the future State," while no reforms of importance to the workers are to be secured to-day except through the menace of revolution. It would be perfectly consistent with this, doubtlessly correct, view of present German conditions, if Kautsky said that after Germany has overthrown Absolutism and Militarism, progressive capitalism may be expected to conquer reactionary capitalism in Germany as elsewhere, and to use direct legislation and other democratic measures for the purpose of increasing profits, with certain secondary, incidental and lesser (but by no means unimportant) benefits to labor. But this he refuses to do. He readily admits that Germany is backward politically, but as she is advanced economically he apparently allows his view of other countries to-day and of the Germany of the future to be guided by the fact that the large capitalists now in control in that country (with military and landlord aid) oppose even that degree of democracy and those labor reforms which, as I have shown, would result in an increased product for the capitalist class as a whole (though not of all capitalists). For he pictures the reactionary capitalists in continuous control in the future both in Germany and other countries, and the smaller capitalists as important between these and the masses of wage earners. The example of other countries (equally developed economically and more advanced than Germany politically) suggests, on the contrary, a growing unity of large and small capital through the action of the state—and as a result the more or less progressive policy I have outlined. (See Part I.)

But Kautsky's view is that of a very large number of Socialists, especially in Germany and neighboring countries, is having an enormous influence, and deserves careful consideration. The proletariat, he says, is not afraid of the most extreme revolutionary efforts and sacrifices to win equal suffrage where, as in Germany, it is withheld. "And every attempt to take away or limit the German laborer's right of voting for the Reichstag would call forth the danger of a fearful catastrophe to the Empire." (5) It is here and elsewhere suggested, on the basis of German experience, that this struggle over the ballot is a struggle between Capital and Labor.

The German Reichstag suffrage was made equal by Bismarck in 1870 for purely capitalistic reasons, and the number of voters in England was doubled as late as 1884, and the suffrage is now to be made universal through similar motives. Yet the present domination of the German Liberals and those of neighboring countries by a reactionary bureaucratic, military, and landlord class, persuades Kautsky that genuine capitalistic Liberalism everywhere is at an end.

Yet in 1910 the German Radicals succeeded, after many years of vain effort, in forming out of their three parties a united organization, the Progressive Peoples Party (*Fortschrittliche Volkspartei*). The program adopted included almost every progressive reform, and, acting in accordance with its principles, this Party quite as frequently coöperates with the Socialists on its left as with the National Liberals immediately on its right. The whole recent history of the more advanced countries, including even Italy, would indicate that the small capitalist element, which largely composes this party, will obtain the balance of power and either through the new party or through the Socialist "reformists" (the latter either in or out of the parent organization) — or through both together — will before many years bring about the extension of the suffrage in Prussia (though not its equalization), the equalization of the Reichstag electoral districts, and the reduction of the tariff that supports the agrarian landlords and large capitalists, put a halt to some of the excesses of military extravagance (though not to militarism), institute a government responsible to the Reichstag, provide government employment for the unemployed, and later take up the other industrial and labor reforms of capitalist collectivism as inaugurated in other countries, together with a large part also of the radical democratic program. There is no reason for supposing that the evolution of capitalism is or will be basically different in Germany from that of other countries. (See Chapter VII.)

Though he regards Socialism as the sole impelling force for reforms of benefit to labor, Kautsky definitely acknowledges that no reforms that are immediately practicable can be regarded as the *exclusive* property of the Socialist Party: —

"But this is certain," he says, "there is scarcely a single practical demand for present-day legislation, that is peculiar to any particular party. Even the Social Democracy scarcely shows one such demand.

That through which it differentiates itself from other parties is the totality of its practical demands and the goals towards which it points. The eight-hour law, for example, is no revolutionary demand. . . .

"What holds together political parties, especially when like the Social Democrats they have great historic tasks to accomplish, are their final goals; not their momentary demands, not their views as to the attitude to be assumed on all the separate questions that come before the party.

"Differences of opinion are always present within the Party and sometimes reach a threatening height. But they will be the less likely to break up the Party, the livelier the consciousness in its members of the great goals towards which they strive in common, the more powerful the enthusiasm for these goals, so that demands and interests of the moment are behind them in importance." (5)

The only way to differentiate the Socialists from other parties, the only thing Socialists have in common with one another is, according to this view, not agreement as to practical action, but certain ideals or goals. Socialists may want the same things as non-Socialists, and reject the things desired by other Socialists, and their actions may follow their desires, but all is well, and harmony may reign as long as their hearts and minds are filled with a Socialist ideal. But if a goal thus has no *necessary* connection with immediate problems or actions, is it necessarily anything more than a sentiment or an abstraction?

Kautsky's toleration of reform activities thus has an opposite origin to that of the "reformist" Socialists. *He* tolerates concentration on capitalistic measures by factions within the Socialist Party, on the ground that such measures are altogether of secondary importance; *they* insist on these reforms as the most valuable activities Socialists can undertake at the present time.

Kautsky and his associates will often tolerate activities that serve only to weaken the movement, provided verbal recognition is given to the Socialist ideal. This has led to profound contradictions in the German movement. At the Leipzig Congress, for example (1909), the reformists voted unanimously for the reaffirmation of the revolutionary "Dresden resolution" of 1903, with the explanation that they regarded it in the very opposite sense from what its words plainly stated. They had fought this resolution at the time it was passed, and condemned it since, and had continued the actions against which it was directed. But their vote in

favor of it and explanation that they refused to give it any practical bearing had to be accepted at Leipzig without a murmur. Such is the result of preaching loyalty to phrases, goals, or ideals rather than in action. The reformists can often, though not always, escape responsibility for their acts by claiming loyalty to the goal — often, no doubt, in all sincerity; for goals, ideals, doctrines, and sentiments, like the human conscience, are generally highly flexible and subtle things.

Kautsky's policy of ideal revolutionism, combined with practical toleration of activities given over exclusively to non-Socialist reform, which is so widespread in the German movement under the form of a too rigid separation between theory on the one hand and tactics on the other, agrees at another point with the policy of the reformists. The latter, as I have mentioned, seek to justify their absorption in reforms that the capitalists also favor, by claiming that they determine their attitude to a reform by its relation to a larger program, whereas the capitalists do not. Kautsky similarly differentiates the Socialists by the totality of their demands; the individual reform, being, as he concedes, usually if not always supported by other parties also. Yet it is difficult to see how a program composed wholly of non-Socialist elements could in any combination become distinctly Socialist. A Socialist program of *immediate* demands may be peculiar to some Socialist political group at a given moment, but usually it contains no features that would prevent a purely capitalist party taking it up spontaneously, in the interest of capitalism.

What is it that drives Kautsky into the position that I have described? To this question we can find a definite answer, and it leads us into the center of the seeming mysteries of Socialist policy. The preservation of the Socialist Party organization, with its heterogeneous constituent elements, is held to be all-important; and this party organization cannot be kept intact, and *all* its present supporters retained, without a program of practical reforms that may be secured with a little effort from capitalist governments. In order to claim this program as distinctively theirs, Socialists must differentiate it in some way from other reform programs. As there is no practical difference, they must insist that the ideal is not the same, that Socialists are using the reforms for different purposes, that only part of their program is like that

of any one capitalist party, while in other parts it resembles those of other capitalist parties, etc.

That "party necessity" can drive even radical and influential Socialists into such a position may seem incredible. But when it is understood that loyalty to party also conflicts with loyalty to principle in many cases even to the point of driving many otherwise revolutionary Socialists to the very opposite extreme, *i.e.* to fighting *against* progressive capitalist reforms purely for party reasons, this willingness to allow the Socialist organization to claim such reforms as in some sense its own, will appear as the lesser deviation from principle.

For example, Kautsky opposes direct legislation — with the proviso that *perhaps* it may have *a certain value* in English-speaking countries and *under some circumstances* in France. His arguments in spite of this proviso are directed almost wholly against it, on the ground that direct legislation would take many reforms out of the hands of the Party, would cause them to be discussed independently of one another instead of bound together as if they were inseparable parts of a program and would weaken the Party in direct proportion as its use was extended. (6)

Yet Kautsky himself contends, in the same work in which this passage occurs, that Socialists favor all measures of democracy, even when the movement at first loses by their introduction. In a word he holds that the function of promoting immediately practicable political reforms is so important to the Party, and the Party with its present organization, membership and activities, is so important to the movement, that even the most fundamental principle may, on occasion, be disregarded. Democracy is admitted to be a principle so inviolable that it is to be upheld generally even when the Party temporarily loses by it. Yet because direct legislation might rob the Socialists of all opportunity for claiming the credit for non-Socialist reforms, because it would put to a direct vote a program composed wholly of elements held in common with other parties, and differing only in its combination of these elements, because the Party tactics would have to be completely transformed and the Party temporarily weakened by being forced to limit itself entirely to revolutionary efforts, Kautsky turns against this keystone of democratic reform.

"There is indeed no legislation without compromises,"

he writes; "the great masses who are not experienced political leaders, must be much easier confused and misled than the political leaders. If compromise in voting on bills were really corrupting, then it would work much more harm through direct popular legislation than through legislation by Parliament, . . . for that would mean nothing less than to drive the cause of corruption from Parliament, out among the people."

"Direct legislation," he continues, "has the tendency to divert attention from general principles and to concentrate it on concrete questions." (7) But if the Socialists cannot educate the masses to know what they want concretely, how much less will they understand general principles? If they cannot judge such concrete and separate questions, how will they control Socialist officials who, as it is now, so often build their programs and decide their tactics for them? There is no mechanical substitute for self-government within Socialist organizations or elsewhere. Direct legislation will do much to destroy all artificial situations and place society on the solid basis of the knowledge or ignorance, the division or organization, the weakness or strength of character of the masses. The present situation, however useful for well-intentioned Socialist "leaders," is even better adapted to the machinations of capitalist politicians. And because it militates against the politically powerful small capitalists as well as against the non-capitalists, it is doomed to an early end.

Kautsky, in a word, actually fears that the present capitalist society will carry out, one by one, its own reforms. For the same reason that he denies the ability or willingness of capitalism to make any considerable improvements in the material conditions of labor, except as compelled by the superior force (or the fear of the superior force) of Socialism, he would, if possible, prevent the capitalists from introducing certain democratic improvements that would facilitate reforms independently of the Socialist Party. However, the economic and political evolution of capitalism will doubtless continue to take its course, and through improved democratic methods all Socialist arguments based on the impossibility of any large measure of working-class progress under capitalism, and all efforts to credit what is being done to the advance of Socialism, will be seen to have been futile. The contention between Socialists and capitalists will then be reduced to its essential elements: —

Is progress under capitalism as great as it might be under Socialism?

Is capitalist progress making toward Socialism by improving the position of the non-capitalists *when compared with that of the capitalists,* or is it having the opposite effect?

Even the "syndicalists," little interested as they are in reform, seem to fear, as Kautsky does, that so long as considerable changes for the better are possible, progress towards Socialism, which in their case also implies revolution, is impossible. I have shown that Lagardelle denies that Labor and Capital have any interest whatever in common. Similarly, a less partisan writer, Paul Louis, author of the leading work on French unionism ("Histoire du Movement Syndicale en France"), while he notes every evil of the coming State Socialism, yet ignores its beneficent features, and bases his whole defense of revolutionary labor unionism on the proposition that important reforms, even if aided by friendly Socialist coöperation or hostile Socialist threats, can no longer be brought about under capitalism: —

"The Parliamentary method was suited by its principle to the reform era. Direct action corresponds to the syndicalist era. Nothing is more simple.

"As long as organized labor believes in the possibility of amending present society by a series of measures built up one upon the other, it makes use of the means that the present system offers it. It proceeds through intervening elected persons. It imagines that from a theoretical discussion there will arise such ameliorations that its vassalage will be gradually abolished."

The belief here appears that a steady, continuous, and marked improvement in the position of the working class would necessarily lead to its overtaking automatically the rapidly increasing power of capitalism. If this were so, it would indeed be true, as Louis contends, that no revolutionary movement could begin, except when all beneficial labor reforms and other working-class progress had ended.

I shall quote (Part III, Chapter V) a passage where Louis indicates that syndicalism, like Socialism itself, is directed in the most fundamental way against all existing governments. He takes the further step of saying that existing governments can do nothing whatever for the benefit of labor, and that their *sole* function is that of repression: —

"The State, which has taken for its mission — and no other could be conceived — the defense of existing society, could not allow its

power of command to be attacked. The social hierarchy which itself rests upon the economic subordination of one class to another, will be maintained only so long as the governmental power shatters every assault victoriously, represses every initiative, punishes without mercy all innovators and all factious persons. . . .

"In the new order [syndicalism] there is no room for any capitalistic attribute, even reduced to its most simple expression. There is no longer room for a political system for safeguarding privileges and conquering rebels. If our definition of the State is accepted, that it is an organ of defense, always more and more exacting because it is in a society always more and more menaced, it will be understood that such a State is condemned to disappear with that society. . . .

"The State crushes the individual, and syndicalism appeals to all the latent energies of that individual, the State suspects and throttles organizations, and syndicalism multiplies them against it. . . . All institutions created by the State for the defense of the capitalist system are assailed, undermined by syndicalism." (8)

Here is a view of the State as far opposed as possible to that of Kautsky, who says truly that it is "a monster economic establishment, and its influence on the whole economic life of a nation to-day is already beyond the power of measurement." (9) For Kautsky, the State is primarily economic and constructive; for Louis it is purely political and repressive. Yet Kautsky, like Louis, seems to feel that if the State were capable of carrying out reforms of any importance to the wage earners, or if it were admitted that it could do so, it would be impossible to persuade the workers that a revolution is necessary and feasible. And so both deny that "State Socialism," which they recognize as an *intervening stage* between the capitalism of to-day and Socialism, is destined to give better material conditions, if less liberty, than the present society. Both the economic and political revolutionists are, on such grounds, often tempted to agree with the reformists of the party and of the labor unions, in leveling their guns exclusively against the private capitalism of to-day — I might almost say the capitalism of the past — instead of concentrating their attack on the evils that will remain undiminished under the State capitalism of the future. The reformists do this consistently, for they see in the constructive side of "State Socialism," not a mere continuation of capitalism, but a large installment of Socialism itself, and have nothing more to ask for beyond a continuation of such reforms. Revolutionary Socialists

are inconsistent, because they may admit that the conditions of the working people under "State Socialism" may be far better than they are to-day, without invalidating their central position that the greater evils of to-day will remain, and that there will be no progress towards Socialism, no matter what reforms are enacted, until the Socialists are either actually or practically in power.

When the Socialists have become so numerous as to be on the verge of securing control of the government (by whatever means), it is unlikely that the privileged classes will permit peaceful political or constitutional procedures to continue and put them completely at the mercy of the non-privileged. In all probability they will then resort to military violence under pretext of military necessity (see Part III, Chapter VIII). *If when this time arrives, the Socialists have not only a large political majority, but also the physical power to back it up,* or seem about to secure this majority and this power, then indeed, though not before that time, the capitalists may, possibly, begin to make concessions which involve a weakening of their position in society, *i.e.* which necessitate more and more concessions until their power is destroyed. The revolutionary reformers, if we may apply this term to Kautsky and his associates, are then only somewhat premature in their belief that the Socialist Party is *now,* or will *very shortly* become, a real menace to capitalism; whereas the political reformers are under the permanent illusion that capitalism will retreat before paper ballots.

Moreover, Kautsky and the revolutionary reformers, in order to make *their* (physical) menace effective, must continually teach the people to look forward and prepare to use all the means in their power for their advance. They are thus thoroughly in accord with the non-reformist revolutionists who, however much they may welcome certain capitalist reforms, do not agree that they will be very materially hastened by anything the Socialists can do. The non-reformist revolutionists assume that Socialists will vote for every form of progress, including the most thoroughly capitalistic, and acknowledge that *if they fail in their duty in this respect, these reforms might be materially retarded.* But they are willing to let the capitalists take the lead in such reform work, giving them the whole credit for what benefits it brings, and placing on their shoulders the whole responsibility

for its limitations. Their criticism of capitalist reform is leveled not against what it does, but against what it leaves undone.

Revolutions in machinery and business organization under capitalism, with which Socialists certainly have nothing to do, they regard also as not only important, but of vast significance, since it is by their aid alone that Socialism is becoming a possibility. And now a new period is coming in, during which the capitalists, on grounds that have no connection whatever with Socialism or the Socialist movement, will effect another equally indispensable revolution, in the organization of labor and business by *governmental means*. Revolutionary Socialists are ready to give the fullest credit to capitalism for what it has done, what it is doing, and what it is about to do — for, however vast the changes now in process of execution, they feel that the task that lies before the Socialists is vaster still. The capitalists, to take one point by way of illustration, develop such individuals and such latent powers in every individual, as they can utilize for increasing the private income of the capitalists as a class, or of governments which are wholly or very largely in their control. *The Socialists propose to develop the latent abilities of all individuals in proportion to their power to serve the community.* The collectivist capitalists will continue to extend opportunity to more and more members of the community, but always leaving the numbers of the privileged undiminished and always providing for all their children first — admitting only the cream of the masses to the better positions, and this after all of the ruling classes, including the most worthless, have been provided for. The Socialists propose, the moment they secure a majority, to make opportunity, not more equal, but equal.

Those Socialists, then, who expect that reforms of importance to wage earners are to be secured to-day exclusively by the menace either of a political overturn or of a Socialist revolution, and those who imagine that the Socialist hosts are going to be strengthened by recruits attracted by the rôle Socialists are playing in obtaining such immediate reforms, make a triple error. They credit Socialism with a power it has nowhere yet achieved and cannot expect until a revolutionary period is immediately at hand; that is, they grossly exaggerate the present powers of the Socialist movement and grossly underestimate the task that lies before it.

They are seemingly blind to the possibilities of transformation and progress that still inhere in capitalism — the increased unity and power it will gain through "State capitalism, "and the increased wealth that will come through a beneficent and scientific policy of producing, through wholesale reforms and improvements, more efficient and profitable laborers. They fail to see that the strength of the enemy will lie henceforth more frequently in deception than in repression. But even this is not their most fatal blunder. In attacking individualistic and reactionary rather than collectivistic and progressive capitalism, these Socialists are not only wasting their energies by assaulting a moribund power, but are training their forces to use weapons and to practice evolutions that will soon be obsolete and useless. They are doing the work and filling the function of the small capitalists. The large capitalists organized industry; the small capitalists will nationalize it; in so far at least as it has been or will have been organized. Socialists gain from both processes, approve of both, and aid them in every way within their power. But their chief function is to overthrow capitalism. And as the larger part of this task lies off some distance in the future, it is the capitalism of the future and not that of the past with which Socialists are primarily concerned. Evidently but a few years will elapse before State capitalism will everywhere dominate. In the meanwhile, to attribute its progress to the *menace* of the advance of Socialism, is to abandon the Socialist standpoint just as completely as do the reformist Socialists in regarding capitalist-collectivist reforms as installments of Socialism, to be achieved only with Socialist *aid*.

For Socialists will be judged by what they are doing rather than by what they promise to do. If political reformists and revolutionary reformists are both directing their chief attention to promoting the reforms of "State Socialism," it will make little difference whether the first argue that these beneficial measures are a part of Socialism and a guarantee of the whole; or the second claim that, though such reforms are no part of Socialism, the superiority of the movement is shown chiefly by the fact that they could not have been brought about except through its efforts. Mankind will rightly conclude that the things that absorb the chief Socialist activities are those that are also forming the character of the movement. In direct proportion as reforming

Socialists spend their energies in doing the same things as reforming capitalists do, they tend inevitably to become more and more alike. Only in proportion as Socialists can differentiate themselves from non-Socialists *in their present activities* will the movement have any distinctive meaning of its own.

CHAPTER VI

REVOLUTIONARY POLITICS

In the most famous document of international Socialism, the "Communist Manifesto" (published by Marx and Engels in 1847), there is a fulmination against "reactionary Socialism," which it will be seen is approximately what we now call "State Socialism." After describing the Utopian Socialism of Fourier, of Saint-Simon and of Owen, the "Manifesto" says: —

"A second form of Socialism, less systematic but more practical, tried to disgust the working people with every revolutionary movement, by demonstrating to them that it is not such and such a political advantage, but only a transformation of the relations of material life and of economic conditions that could profit them. Let it be noted that by transformation of the material relations of society this Socialism does not mean the abolition of capitalist relations of production, but only administrative reforms brought out precisely on the basis of capitalist production, and which consequently do not affect the relation of capital and wage labor, but in the best case only diminish the expenses and simplify the administrative labor of a capitalist government. . . . In the promotion of their plans they act always with the consciousness of defending first of all the interest of the working class. The working class only exists for them under this aspect of the suffering class.

"But in accordance with the undeveloped state of the class struggle and their social position, they consider themselves quite above antagonism. They desire to ameliorate the material condition of life for all the members of society, even the most privileged. As a consequence, they do not cease to appeal to all society without distinction, or rather they address themselves by preference to the reigning class." (1)

Marx points out that the chief aim of these "reactionary Socialists" was the transformation of the State into a mere organ for the administration of industry in their interest, which is precisely what we mean to-day by "State Socialism."

In contrast with this "reactionary Socialism," now prevalent in Great Britain and Australia, the Socialist parties of every country of the European Continent (where such

parties are most developed), without exception are striving for a social democracy and a government of the non-privileged and not for a scheme of material benefits bestowed by an all-powerful capitalist State. Professor Anton Menger, of the University of Vienna, one of the most acute and sympathetic observers of the movement, remarks correctly that—"in all countries, at all times, the proletariat [working class] has rightly thought that the continuous development of its *power* is worth more than any *economic advantage* that can be granted it." (2)

The late Paul Lafargue, perhaps the leading thinker of the French Socialist movement, a son-in-law of Karl Marx, made a declaration at a recent Party Congress which brings out still more clearly the prevailing Socialist attitude. Denying that the Socialists are opposed to reforms, he said: "On the contrary, we demand all reforms, even the most bourgeois [capitalist] reforms like the income tax and the purchase of the West [the Western railroad, lately purchased by the government]. It matters little to us who proposes reforms, and I may add that the most important of them all for the working class have not been presented by Socialist deputies, but by the bourgeois [capitalists]. Free and compulsory education was not proposed by Socialists." That is to say, Lafargue believed that reforms extremely beneficial to the working class might be enacted without any union of Socialists with non-Socialists, without the Socialists gaining political power and without their even constituting a menace to the rule of the anti-Socialist classes. Capitalism of itself, in its own interest and without any reference to Socialism or the Socialists, may go very far towards developing a society which in turn develops an ever growing and developing working class, though without increasing the actual political or economic powers of this class when compared with its own.

In Germany especially, Marx's co-workers and successors developed marked hostility to "State Socialism" from the moment when it was taken up by Bismarck nearly a generation ago (1883). August Bebel's hostility to the existing State goes so far that he predicts that it will expire "with the expiration of the ruling class," (3) while Engels contended that the very phrase "the Socialist State" was valueless as a slogan in the present propaganda of Socialism, and scientifically ineffective. (4)

Engels had even predicted, as long ago as 1880, that the coming of monopolies would bring it about that the State, being "the official representative of capitalistic society," would ultimately have to undertake "the protection of production," and that this necessity would first be felt in the case of the railways and the telegraphs. Later events have shown that his prediction was so correct that even America and England are approaching the nationalization of their railways, while the proposal to nationalize monopolies is rapidly growing in popularity in every country in the world, and among nearly all social classes.

Engels did not consider that such developments were necessarily in the direction of Socialism any more than the nationalization of the railways by the Czar or the Prussian government. On the contrary, he suggested that it meant the strengthening of the capitalism.

"The modern State," he wrote in 1880, "no matter what its form, is essentially a capitalistic machine, the State of the capitalists, the ideal personification of the total national capital. The more it proceeds to the taking over of productive forces, the more it actually becomes the national capitalist, the more citizens does it exploit. The workers remain wageworkers — proletarians. The capitalist relation is not done away with. It is rather brought to a head." (5) Engels did not think that State ownership necessarily meant Socialism; but he thought that it might be utilized for the purposes of Socialism if the working class was sufficiently numerous, organized, and educated to take charge of the situation. "State ownership of the productive forces is not the solution of the conflict, but concealed within it are the technical conditions that give the elements of the solution."

As early as 1892 Karl Kautsky, at the present moment perhaps the greatest living Socialist editor and economist, wrote that the system of laissez-faire, for which "State Socialism" offers itself as a remedy, had long ago lost whatever influence it once had on the capitalist class — which was never very great. If, then, the theory that "that government is best which governs least" had been abandoned by the capitalists themselves, there was no ground why Socialists should devote their time to the advocacy of a view ("State Socialism") that was merely a reaction against an outworn standpoint. The theory of collectivism, that the functions

of the State ought to be widely extended, had long been popular among the capitalists themselves.

"It has already been seen," wrote Kautsky, "that economic and political development has made necessary and inevitable the taking over of certain economic functions by the State. . . . It can by no means be said that every nationalization of an economic function or of an economic enterprise is a step towards Socialistic coöperation and that the latter would grow out of the general nationalization of all economic enterprises without making a fundamental change in the nature of the State." (6) In other words, Kautsky denies that partial nationalization or collectivism is necessarily even a step towards Socialism, and asserts that it may be a step in the other direction. The German Socialists acted on this principle when they opposed the nationalization of the Reichsbank, and it has often guided other Socialist parties.

Kautsky feels that it is often a mistake to transfer the power over industry, *e.g.* the ownership of the land, into the hands of the State as now constituted, since this puts a tremendous part of the national wealth at the disposal of capitalist governments, one of whose prime functions is to prevent the increase of the political and economic power of the working people. And, although the State employees would probably receive a somewhat better treatment than they had while the industry was privately owned, they would simply form a sort of aristocracy of labor opposed in general to the interests of the working people.

"Like every State," says Kautsky, "the modern State is in the first place a tool for the protection of the general interests of the ruling classes. It changes its nature in no way if it takes over functions of general utility which aim at advancing the interests not only of the ruling classes, but also of those of society as a whole *and* of the ruling classes, and on no condition does it take care of these functions in a way which might threaten the general interests of the ruling classes or their domination. . . . If the present-day State nationalizes certain industries and functions, it does this, not to put limitations on capitalistic exploitation, but to protect and to strengthen the capitalistic mode of production, or in order itself to take a share in this exploitation, to increase its income in this way, and to lessen the payments that the capitalist class must obtain for its own support in the way of taxes. And as an exploiter, the State has this advantage over private capitalists: that it has at its disposal to be used against the exploited not only the economic powers of the capitalists, but the political force of the State." (My italics.)

As an illustration of Kautsky's reference to the lessening of taxes through the profits of government ownership, it may be pointed out that the German Socialists fear the further nationalization of industries in Germany on account of the danger that with this increased income the State would no longer depend on the annual grants of the Reichstag and would then be in a position to govern without that body. The king of Prussia and the Emperor of Germany could in that event rule the country much as the present Czar rules Russia.

As a rule, outside of Great Britain, the advocates of the collectivist program are also aware that their "Socialism" is not that of the Socialist movement. In an article in the *Atlantic Monthly*, Mr. John Martin, for example, indicates the "State Socialist" tendency of present-day reform measures in America, and at the same time shows that they are removed as far as possible from that anti-capitalist trend which is held by most Socialist Party leaders to be the essence of their movement. Mr. Martin points to the irrigation projects, the conservation of national resources, the railway policy of the national administration, the expansion of the Federal government, and the tendency towards compulsory arbitration since the interference of President Roosevelt in the coal strike of 1902, as being "Socialistic" and yet in no sense class movements. They tend towards social reconstruction and to greater social organization and order; and there are no "logical halting places," says Mr. Martin, "on the road to Collectivism." But so far is this movement from a class movement in Mr. Martin's opinion that its advance guard consists in part of millionaires like Mr. Carnegie and Mrs. Sage, "who aim at a social betterment of both getting and spending of fortunes," while "behind them, uncommitted to any far-reaching theory, but patriotic and zealous for an improved society, there are marching philanthropists, doctors, lawyers, business men, and legislators, people of distinction." And finally the army is completed by millions of common privates "*for* whose children the better order will be the greatest boon." (The italicizing is mine.) The privates apparently figure rather as mere recipients of public and private benefactions than as active citizens. (7)

Some of the reformers openly advise joining the Socialist movement with the hope of using it for the purpose of reform and without aiding it in any way to reach a goal of its own.

Professor John Bates Clark, one of America's most prominent economists, says of the Socialist Party that it is legitimate because "it represents the aspirations of a large number of workingmen" and because "its immediate purposes are good."

"It has changed the uncompromising policy of opposing all halfway measures," continues Professor Clark. "It welcomes reforms and tries to enroll in its membership as many as possible of the reformers. . . . In short, the Socialist and the reformer may walk side by side for a considerable distance without troubling themselves about the unlike goals which they hope in the end to reach. . . . What the reformers will have to do is to take the Socialistic name, walk behind a somewhat red banner, and be ready to break ranks and leave the army when it reaches the dividing of the ways." (8)

Professor Clark, it will be seen, has no difficulty in suggesting a "logical halting place on the road to collectivism"; namely, when the Socialists turn from collectivist reforms and start out towards Socialism.

Anti-Socialists may share the Socialist *ideal* and even favor all the reforms that the capitalists can permit to be put into practice without resigning their power and allowing the overthrow of capitalism. But Socialists have long since seen a way to mark off all such idealists and reformers — by presenting Socialism for what it really is, not as an ideal, nor a program of reform under capitalist direction, but as a method, and the only practical method, of ending capitalist rule in industry and government.

When Liebknecht insists on "the extreme importance of tactics and the necessity of maintaining the party's class struggle character," he makes "tactics," or the practical methods of the movement, *identical* with its basic principle, "the class struggle." Kautsky does the same thing when he says that Socialism is, *both in theory and practice*, a revolution against capitalism.

"Those who repudiate political revolution as the principal means of social transformation, or wish to confine the latter to such measures as have been granted by the ruling class," says Kautsky, "are social reformers, no matter how much their social ideas may antagonize existing forms of society."

The Socialists' wholly practical grounds against "reformism" have been stated by Liebknecht, in his "No Com-

promise." "This political Socialism, which in fact is only philanthropic humanitarian radicalism, has retarded the development of Socialism in France exceedingly," he wrote in 1899, before Socialist politicians and "reformists" had come into prominence in other countries than France. "It has diluted and blurred principles and weakened the Socialist Party because it brought into it troops upon which no reliance could be placed at the decisive moment." If, in other words, Socialism is a movement of non-capitalists against capitalists, nothing could be more fatal to it than a reputation due chiefly to success in bringing about reforms about which there is nothing distinctively Socialistic. For this kind of success could not fail ultimately to swamp the movement with reformers who, like Professor Clark, are not Socialists and never will be.

It must not be inferred from this that Socialists are indifferent to reform. They are necessarily far more anxious about it than its capitalist promotors. For while many "State Socialist" reforms are profitable to capitalism and even strengthen temporarily its hold on society, they are in the long run indispensable to Socialism. But this does not mean that Socialism is compelled to turn aside any of its energies from its great task of organizing and educating the workers, in order to hasten these reforms. On the contrary, the larger and the more revolutionary the Socialist army, the easier it will be for the progressive capitalists to overcome the conservatives and reactionaries. Long before this army has become large enough or aggressive enough to menace capitalism and so to throw all capitalists together in a single organization wholly devoted to defensive measures, there will be a long period — already begun in Great Britain, France, and other countries — when the growth of Socialism will make the progressive capitalists supreme by giving them *the balance of power*. In order, then, to hasten and aid the capitalistic form of progress, Socialists need only see that their own growth is sufficiently rapid. As the Socialists are always ready to support every measure of capitalist reform, the capitalist progressives need only then secure enough strength in Parliaments so that their votes added to those of the Socialists would form a majority. As soon as progressive capitalism is at all developed, reforms are thus automatically aided by the Socialist vote, without the necessity of active Socialist participation — thus leaving the Socialists

free to attend to matters that depend wholly on their own efforts; namely, the organization and education of the non-capitalist masses for aggressive measures leading towards the overthrow of capitalism.

Opposition to the policy of absorption in ordinary reform movements is general in the international movement outside of Great Britain. Eugene V. Debs, three times presidential candidate of the American Socialist Party, is as totally opposed to "reformism" as are any of the Europeans. "*The revolutionary character of our party and of our movement,*" he said in a personal letter to the present writer, which was published in the Socialist press, "*must be preserved in all its integrity at all cost, for if that be compromised we had better cease to exist.* . . . If the trimmers had their way we should degenerate into bourgeois reformers. . . . But they will not have their way." (Italics mine.)

No American Socialist has more ably summarized the dangers opportunism brings to the movement than Professor George D. Herron in his pamphlet, "From Revolution to Revolution," taken from a speech made as early as 1903. Later events, it will be noted, have strikingly verified his predictions as to the growing popularity of the word "Socialism" with nearly all political elements in this country.

"Great initiatives and revolutions," Herron says, "have always been robbed of definition and issue when adopted by the class against which the revolt was directed. . . .

"Let Socialists take knowledge and warning. The possessing class is getting ready to give the people a few more crumbs of what is theirs. . . . If it comes to that, they are ready to give some things *in the name of Socialism.* . . . The old political parties will be adopting what they are pleased to call Socialistic planks in their platforms; and the churches will be coming with the insipid 'Christian Socialism,' and their hypocrisy and brotherly love. We shall soon see Mr. Hanna and Bishop Potter, Mr. Hearst and Dr. Lyman Abbott, even Mr. Roosevelt and Mr. Bryan, posing as reasonable kinds of Socialists. You will find the name of Socialism repeatedly taken in vain, and perhaps successfully. You will see the Socialist movement bridled and saddled by capitalism, in the hope of riding it to a new lease of capitalistic power. . . .

"But Socialism, like liberty or truth, is something you cannot have a part of; you must have the whole or you will have nothing; you can only gain or lose the whole, you cannot gain or lose a part. You may have municipal ownerships, nationalized transportation, initiative and referendum, civil service reforms and many other

capitalist concessions, and be all the farther away from Social Democracy. . . . You may have any kind and number of reforms you please, any kind and number of revolutions or revivals you please, any kind and number of new ways of doing good you please, it will not matter to capitalism, so long as it remains at the root of things, the result of all your plans and pains will be gathered into the Capitalist granary." (The italics are mine.)

Yet no Socialist dreams that the presence in the movement of semi-Socialist or non-Socialist elements, which is both the cause and the effect of reformism and compromise, is a mere accident, or that there is any device by which they may either be kept out or eliminated — until the time is ripe. The presence of opportunists and reformists in all Socialist parties is as much an inevitable result at a certain stage of social evolution as the appearance of Socialism itself. The time will come when these "Mitlaüfer," as the Germans call them, will either become wholly Socialist or will desert the movement, as has so often happened, to become a part of the rising tide of "State Socialism," but that day has not yet arrived.

The division of the organization at a certain stage into two wings is held by the able Austrian Socialist, Otto Bauer, to be a universal and necessary process in its development. The first stage is one where all party members are agreed, since it is then merely a question of the propaganda of general and revolutionary *ideas*. The second stage (the present one) arises when the party has already obtained a modest measure of power which can be either *cashed in* and utilized for immediate and material gains or saved up and held for obtaining more power, or for both objects in degrees varying according as one or the other is considered more important. Bauer shows that these two policies of accumulating power and of spending it arise necessarily out of the social composition of the party at its present stage and the general social environment in which it finds itself.

At the third stage, he says, when the proletariat has come to form the overwhelming majority of the population, their campaign for the conquest of political power appears to the possessing classes for the first time as a threatening danger. The capitalist parties then unite closely together against the Social Democracy; what once separated them now appears small in comparison to the danger which threatens their profits, their rents, and their monopolistic incomes. So there arises again at this higher stage of capitalist domination, as was

the case at its beginning, "a Social Democracy in battle *against all the possessing classes, against the whole power of the organized state.*" (Italics mine.) (9) When the third stage arrives, these reformists who do not intend to leave the revolutionary movement, begin to get ready to follow it. Already the most prominent reformist Socialists outside of England *claim* that their position is revolutionary. This is true of the best-known German reformist, Bernstein; it is true of Jaurès; and it is also true of Berger in this country. Bernstein argues in his book, "Evolutionary Socialism," that constitutional legislation is best adapted to positive social-political work, "to the creation of permanent economic arrangements." But he also says that "the revolutionary way does quicker work as far as it deals with removal of obstacles which a privileged minority places in the path of social progress." As for choosing between the revolutionary and non-revolutionary methods, he admits that revolutionary tactics can be abandoned only when the non-propertied majority of a nation has become firmly established in power; that is, when political democracy is so deeply rooted and advanced that it can be applied successfully to questions of property; "when a nation has attained a position where the rights of the propertied minority have ceased to be a serious obstacle of social progress." Certainly no nation could claim to be in such a position today, unless it were, possibly, Australia, though there the empire of unoccupied land gives to every citizen possibilities at least of acquiring property, and relieves the pressure of the class struggle until the country is settled. This view of Bernstein's, let it be noted, is a far different one from that prevailing in England — as expressed, for example, in an organ of the Independent Labour Party, where it is said that "fortunately 'revolution' in this country has ceased to be anything more than an affected phrase." Certainly there are few modern countries where the "propertied minority," of which Bernstein speaks, constitutes a more serious obstacle to progress than it does in England.

Jaurès's position is quite similar to that of Bernstein. He declared in a recent French Congress that he was both a revolutionist and a reformer. He indorses the idea of the general strike, but urges that it should not be used until the work of education and propaganda has made the time ready, "until a very large and strong organization is ready to back

up the strikers," and until a large section of public opinion is prepared to recognize the legitimacy of their object. He says he expects the time to arrive when "the reforms in the interest of the whole working class which have been promised will have been systematically refused," and then "the general strike will be the only resource left"; and finally cries, "Never in the name of the working people will we give up the right of insurrection." This position is verbally correct from the Socialist standpoint, and it shows the power of the revolutionary idea in France, when even Jaurès is forced to respect it. But any capitalist politician might safely use the same expressions — so long, at least, as revolution is still far away.

So also Mr. Berger has written in the *Social Democratic Herald* of Milwaukee that "all the ballot can do is to strengthen the power of resistance of the laboring people."

"We whom the western ultra class-conscious proletarians . . . are wont to call 'opportunists,'" writes Berger, "we know right well that the social question can no more be solved by street riots and insurrections than by bombs and dynamite.

"Yet, by the ballot *alone*, it will never be solved.

"Up to this time men have always solved great questions by *blood* and *iron*." Berger says he is not given to reciting revolutionary phrases, but asserts that the plutocrats are taking the country in the direction of "a violent and bloody revolution."

"Therefore," he says, "each of the 500,000 Socialist voters, and of the two million workingmen who instinctively incline our way, should, besides doing much reading and still more thinking, also have a good rifle and the necessary rounds of ammunition in his home and be prepared to back up his ballot with his bullets if necessary. . . . Now, I deny that dealing with a blind and greedy plutocratic class as we are dealing in this country, the outcome can ever be peaceable, or that any reasonable change can ever be brought about by the ballot in the end.

"I predict that a large part of the capitalist class will be wiped out for much smaller things . . . most of the plutocratic class, together with the politicians, will have to disappear as completely as the feudal lords and their retinue disappeared during the French revolution.

"That cannot be done by the ballot, or *only* by the ballot.

"The ballot cannot count for much in a pinch." (10) (My italics.)

And in another number Mr. Berger writes:—

"As long as we are in the minority we, of course, have *no right to force* our opinion *upon an unwilling majority* . . . Yet we do not

deny that *after we have convinced the majority of the people*, we are going to use force if the minority should hesitate." (11) (My italics.)

Few will question the revolutionary nature of this language. But such expressions have always been common at critical moments, even among non-Socialists. We have only to recall the "bloody-bridles" speech of a former populist governor of Colorado, or the advice of the *New York Evening Journal* that every citizen ought to provide against future contingencies by keeping a rifle in his home. Revolutionary language has no necessary relation to Socialism.

Mr. Berger, moreover, has also used the threat of revolution, not as a progressive but as a reactionary force, not in the sense of Marx, who believed that a revolution, when the times were ripe and the Socialists ready, would bring incalculably more good than evil, but in the sense of the capitalists, for whom it is the most terrible of all possibilities. It is common for conservative statesmen to use precisely the same threat to secure necessary capitalist reforms.

"Some day there will be a volcanic eruption," said Berger in his first speech in Congress; "a fearful retribution will be enacted on the capitalist class as a class, and the innocent will suffer with the guilty. Such a revolution would throw humanity back into semi-barbarism and cause even a temporary retrogression of civilization."

Such is the language used against revolutions by conservatives or reactionaries. Never has it been so applied by a Marx or an Engels, a Liebknecht, a Kautsky or a Bebel. Without underestimating the enormous cost of revolutions, the most eminent Socialists reckon them as nothing compared with the probable gains, or the far greater costs of continuing present conditions. The assertion of manhood that is involved in every great revolution from below in itself implies, in the Socialist view, not retrogression, but a stupendous advance; and any reversion to semi-barbarism that may take place in the course of the revolution is likely, in their opinion, to be far more than compensated in other directions, even during the revolutionary period (to say nothing of ultimate results).

Revolutionary phrases and scares are of course abhorred by capitalistic parties, and considered dangerous, unless there is some very strong occasion for reverting to their use.

But such occasions are becoming more and more frequent. Conservative capitalists are more and more grateful for any outbreak that alarms or burdens the neutral classes and serves as a useful pretext for that repression or reaction which their interests require. Progressive capitalists, on the other hand, use the very same disturbances to urge reforms they desire, on the ground that such measures are necessary to avoid "revolution." The disturbance may be as far as possible from revolutionary at bottom. It is only necessary that it should be sufficiently novel and disagreeable to attract attention and cause impatience and irritation among those who have to pay for it. Like the British strikes of 1911, it may not cost the capitalist class as a whole one-hundredth part of one per cent of its income. And it might be possible to repress, within a short time and at no greater expense, a movement many times more menacing. Provided it serves to put the supporters of capitalism on their feet, whatever they do as a result, whether in the way of repression or of reform, will be but to carry out long-cherished plans for advancing their own interests, plans that would have been the same even though there had been no shadow of a "revolutionary" movement on the horizon. The only difference is that such pseudo-revolutionary or semi-revolutionary disturbances serve as stimuli to put the more inert of the capitalist forces in motion, and, until the disturbances become truly menacing, strengthen the capitalist position.

The use of revolutionary phrases does not then, of itself, demonstrate an approach to the revolutionary position, though we may assume, on other grounds, that the majority of the reformist Socialists, who take a revolutionary position as regards certain *future* contingencies, are in earnest. But this indicates nothing as to the character of their Socialism to-day. The important question is, how far their revolutionary philosophy goes when directed, not at a hypothetical future situation but to questions of the present moment.

In all the leading countries of the world, except Great Britain, the majority of Socialists expect a revolutionary crisis in the future, because they recognize, with that able student of the movement, Professor Sombart, that "history knows of no case where a class has freely given up the rights which it regarded as belonging to itself." (12) This does not mean that Socialists suppose that all progress must await a revolutionary period. Engels insisted that he and his

associates were profiting more by lawful than by unlawful and revolutionary action. It means that Socialists do not believe that the capitalists will allow such action to remain lawful long enough materially to increase the income of the working class and its economic and political power as compared with their own.

Jaurès's position as to present politics is based on the very opposite view. "You will have to lead millions of men to the borders of an impassable gulf," he says to the revolutionists, "but the gulf will not be easier for the millions of men to pass over than it was for a hundred thousand. What we wish is to try to diminish the width of the gulf which separates the exploited in present-day society from their situation in the new society." (13) The revolutionaries assert, on the contrary, that nothing Socialists can do at the present time can moderate the class war, or lessen the power of capitalism to maintain and increase the distance between itself and the masses. In direct disagreement with Jaurès, they say that when a sufficient numerical majority has been acquired, especially in this day when the masses are educated, it will be able to overcome any obstacle whatever, even what Jaurès calls the impassable gulf — whether in the meanwhile that gulf will have become narrower or wider than it is to-day, and they believe that the day of this triumph would be delayed rather than brought nearer if the workers were to divert their energies from revolutionary propaganda and organization, to political trading in the interest of reforms that bring no greater gains to the workers than to their exploiters. The revolutionary majority believes that the best that can be done at present is for the workers to train and organize themselves, and always to devise and study and prepare the means by which capitalism can be most successfully and economically assaulted when sufficient numbers are once aroused for successful revolt.

When revolutionary Socialism is not pure speculation, it takes the form of the present-day "class struggle" against capitalism. The view that existing society can be *gradually* transformed into a social democratic one, Kautsky believes to be merely an inheritance of the past, of a period "when it was generally believed that further development would take place exclusively on the *economic* field, without the necessity of any kind of change in the relative distribution of *political* institutions." (Italics mine.) (14)

"Neither a railroad [that is, its administration] nor a ministry can be changed gradually, but only at a single stroke," says Kautsky, to illustrate the sort of a change Socialists expect. The need of such a complete change does not decrease on account of any reforms that are introduced before such a change takes place. "There are some politicians," he says, "who assert that only *despotic* class rule necessitates revolution; that revolution is rendered superfluous by *democracy*. It is claimed that we have to-day sufficient democracy in all civilized countries to make possible a peaceable revolutionless development." (My italics.) As means by which these politicians hope to achieve such a revolutionless development, Kautsky mentions the gradual increase of the power of the trade unions, the penetration of Socialists into local governments, and finally the growing power of Socialist minorities in parliaments where they are supposed to be gaining increasing influence, pushing through one reform after another, restricting the power of the capitalists by labor legislation and extending the functions of the government. "So by the exercise of democratic rights upon existing grounds, the capitalist society is [according to these opportunists] gradually and without any shock growing into Socialism." (15)

"This idyl becomes true," Kautsky says, "only if we grant that but one side of the opposed forces [the proletariat] is growing and increasing in strength, while the other side [the capitalists] remains immovably fixed to the same spot." But he believes that the very contrary is the case, that the capitalists are gaining in strength all the time, and that the advance of the working class merely goads the capitalists on "*to develop new powers and to discover and apply new methods of resistance and repression.*" (16)

Kautsky says that the present form of democracy, though it is to the Socialist movement what light and air are to the organism, hinders in no way the development of capitalism, the organization and economic powers of which improve and increase faster than those of the working people. "To be sure, the unions are growing," say Kautsky, "but simultaneously and faster grows the concentration of capital and its organization into gigantic monopolies. To be sure, the Socialist press is growing, but simultaneously grows the partyless and characterless press that poisons and unnerves even wider circles of people. To be sure, wages are rising, but

still faster rise the accumulations of profits. Certainly the number of Socialist representatives in Parliament grows, but still more rapidly sinks the significance and efficiency of this institution, while at the same time parliamentary majorities, like the government, fall into ever greater dependence on the powers of high finance." (Possibly events of the past year or two mark the beginning of the waning of the powers of monopolists, and of the partial transfer of those powers to a capitalistic middle class; but exploitation of *the working class* continues under such new masters no less vigorously than before.)

A recent discussion between Kautsky and the reformist leader, Maurenbrecher, brought out some of these points very sharply. (17) Maurenbrecher said, "In Parliament we wish to do practical work, to secure funds for social reforms — so that step by step we may go on toward the transformation of our class government." Kautsky replied that while the revolutionaries wish also to do practical work in Parliament, they can "see beyond"; and he says of Maurenbrecher's view: "This would all be very fine, if we were alone in the world, if we could arrange our fields of battle and our tactics to suit our taste. But we have to do with opponents who venture everything to prevent the triumph of the proletariat. Comrade Maurenbrecher will acknowledge, I suppose, that the victory of the proletariat will mean the end of capitalist exploitation. Does he expect the exploiters to look on good-naturedly while we take one position after another and make ready for their expropriation? If so, he lives under a mighty illusion. Imagine for a moment that our parliamentary activity were to assume forms which threatened the supremacy of the capitalists. What would happen? The capitalists would try to put an end to parliamentary forms of government. In particular they would rather do away with the universal, direct, and secret ballot than quietly capitulate to the proletariat." As Premier von Buelow declared while in office that he would not hesitate to take the measure that Kautsky anticipates, we have every reason to believe that this very *coup d'état* is still contemplated in Germany — and we have equally good reason to believe that if the Socialists were about to obtain a majority in the governments of France, Great Britain, or the United States, the capitalist class, yet in control, would be ready to abolish, not only universal suffrage and various constitutional rights, but any

and all rights of the people that stood in the way of the maintenance of capitalistic rule. Declarations of Briand and Roosevelt quoted in later chapters (Part III, Chapters VI and VII) are illustrations of what might be expected.

The same position taken by Kautsky in Germany is taken by Otto Bauer, who seems destined to succeed Victor Adler (upon the latter's death or retirement) as the most representative and influential spokesman of the Austrian Party. Reviewing the political situation after the Vienna food riots of 1911, Dr. Bauer writes:—

"The illusion that, once having won equal suffrage, we might peacefully and gradually raise up the working class, proceeding from one 'positive result' to another, has been completely destroyed. In Austria, also, the road leads to the increase of class oppositions, to the heaping up of wealth on the one side, and of misery, revolt, and embitterment on the other, to the division of society into two hostile camps, arming and preparing themselves for war." (18)

Even though underlying economic forces should be found to be improving Labor's condition at a snail's pace, instead of actually heaping up more misery, no changes would be required in any of the other statements, or in the conclusion of this paragraph, which, with this exception, undoubtedly expresses the views of the overwhelming majority of Socialists the world over.

"Democracy cannot do away with the class antagonisms of capitalist society," says Kautsky, referring to the "State Socialist" reforms of semidemocratic governments like those of Australia and Great Britain. "Neither can we avoid the final outcome of these antagonisms — the overthrow of present society. One thing it can do. It cannot abolish the revolution, but it can avert many premature, hopeless revolutionary attempts and render superfluous many revolutionary uprisings. It creates clearness regarding the relative strength of the different parties and classes."

The late Paul Lafargue stated the same principle at a recent congress of the French Socialist Party, contending that, as long as capitalists still control the national administration, representatives are sent by the Socialists to the Chamber of Deputies, *not in the hope of diminishing the power of the capitalist State to oppress, but to combat this power, "to procure for the Party a new and more magnificent field of battle."*

CHAPTER VII

THE REVOLUTIONARY TREND

With the exception of a few years (1899 to 1903) the revolutionary and anti-"reformist" (not anti-reform) position of the international movement has become stronger every year. It is a relatively short time, not more than twenty years, since the reformists first began to make themselves heard in the Socialist movement, and their influence increased until the German Congress at Dresden in 1903, the International Congress of 1904 at Amsterdam, and the definite separation of the Socialists of France from Millerand at this time and from Briand shortly afterwards (Chapter II). Since then their influence has rapidly receded.

The spirit of the international movement, on the whole, is more and more that of the great German Socialist Wilhelm Liebknecht, who advised the party to be "always on the offensive and never on the defensive," (1) or of La Salle when he declared, "True political power will have to be fought for, and cannot be bought." (2)

The revolutionary policy of the leading Socialist parties has not become less pronounced with their growth and maturity as opponents hoped it would. On the contrary, all the most important Socialist assemblies of the last ten years, from the International Congress at Paris in 1900, have reiterated or strengthened the old position. The Congress of Paris in 1900 adopted a resolution introduced by Kautsky which declared that the "Social Democracy has taken to itself the task of organizing the working people into an army ready for the social war, and it must, therefore, above all else, make sure that the working classes become conscious of their interests and of their power." The great task of the Socialists at the present time is the preparation of the social war of the future, and not any effort to improve the capitalists' society. The working classes are to be made conscious of *their own strength* — which will surely not be brought about by any reforms which, however much they may benefit the workers,

favor equally or to a still greater degree the capitalistic and governing classes.

The resolution continued: "The proletariat in a modern democratic State cannot obtain political power accidentally. It can do so only when the long and difficult work of the political and economic organization of the proletariat is at an end, when its physical and moral regeneration have been accomplished, and when more and more seats have been won in municipal and other *legislative* bodies. . . . But where the government is centralized, political power cannot be obtained step by step." (The italics are mine.) (3)

According to the proposer and mover of this resolution and its supporters, nearly all, if not all, modern governments are at the bottom centralized in one form or another. So the resolution amounts to saying that political power cannot be obtained step by step. The election of Socialist minorities in the legislatures can only be used to urge capitalism on its work of bringing up the physical condition and industrial productivity of the masses, and not for the purpose of organizing and educating them with the object of seizing the reins of power, of overthrowing capitalism, and revolutionizing the present form of government.

The resolution adopted at the following International Congress at Amsterdam (in 1904) was necessitated by certain ambiguities in the former one. Yet Kautsky's explanation of his own meaning makes it quite clear that even the Paris resolution was revolutionary in its intent, and the Amsterdam Congresses, moreover, readopted its main proposition that "the Social Democracy could not accept any participation in government in capitalist society."

At this latter congress Jaurès's proposed reformist tactics were definitely and finally rejected so that they have not even been discussed at the later international gatherings. This was a critical moment in the international movement; for it was about this time that the tendency to opportunism was at its strongest, and this was the year in which it was decided against Jaurès that all Millerands of the future, impatient to seize immediate power in the name of Socialism, no matter how sincerely they might hope in this way to benefit the movement, should be looked upon as traitors to the cause. The *terms upon which such power was secured or held* were considered necessarily to be such as to compromise the principles of the movement. Socialists in high government

positions, it was pointed out, by the very fact of their acceptance of such responsibilities, become servants of a capitalistic administration — and of the economic régime it supports.

Jaurès began his argument with the proposition that the difference between Socialism and mere reform consisted in the fact that the former alone worked for "a total realization of all reforms" and "the complete transformation of capitalistic property into social property" — which is merely the statement of Socialism as an ultimate ideal, now indorsed even by many anti-Socialists. He next quoted Liebknecht to the effect that there were only 200,000 individuals in Germany, and Guesde, Jaurès's chief Socialist opponent in France, to the effect that the number was the same in the latter country, who, on account of their economic interests, were directly and completely opposed to Socialism; and this being the case, he held that the task of the body of working people already organized by the Socialists against capitalism, was gradually to draw all but this 200,000 into the Socialist ranks. He concluded that it was the duty of the Socialists to "ward off reaction, to obtain reforms and to develop labor legislation" by the help of this larger mass, which, when added to their own numbers, constituted 97 or 98 per cent of the population.

It goes without saying, replied the revolutionaries, that all Socialists will lend their assistance to any elements of the population who are fighting against reaction and in favor of labor legislation and reform, but it does not follow that they should consider this the chief part of their work, nor that they should even feel it necessary to claim that the Socialists were *leading* the non-Socialists in these matters.

In contrasting his section of the French Party with the German movement, Jaurès claimed that the French were both more revolutionary than the German, and more practical in their efforts at immediate reform. "You," he said, speaking to the Germans, "have neither a revolutionary nor a parliamentary activity." He reminded them that having never had a revolution they could not have a revolutionary tradition, that universal suffrage had been given to them from above (by Bismarck), instead of having been conquered from below, that they had been forced tamely to submit when they had recently been robbed of it in Saxony. "You continue in this way too often," he continued, "to obscure and to weaken, in the German working class, the force of a revolu-

tionary tradition already too weak through historic causes." And finally he asserted that the German Socialists, who, a year or so before this conference, had obtained the enormous number of 3,000,000 votes, had been able to do nothing with them in the Reichstag. He said that this was due in part to the character of the German movement, as shaped by the circumstances of the past, and partly to the fact that the Reichstag was powerless in the German government, and claimed that they would have been only too glad to follow the French reformists' course, if they could have done so, just as their only reason for not using revolutionary measures was also that the German government was too strong for them.

"Then," concluded Jaurès, "you do not know which road you will choose. There was expected from you after this great victory a battle cry, a program of action, a policy. You have explored, you have spied around, watched events; the public's state of mind was not ripe. And then before your own working class and before the international working class, you masked the feebleness of your activity by taking refuge in extreme theoretical formulas which your eminent comrade, Kautsky, will furnish to you until the life goes out of him." As time has not yet tested Jaurès's accusations, they cannot yet be finally disproved or proved. The replies of his revolutionary opponents at the Congress were chiefly counter-accusations. But the later development of the German movement gives, as I shall show, strong reasons why Jaurès's criticisms should be accepted as being true only of the reformist minority of the German Party.

Jaurès referred to the British unionists as an example of the success of reformist tactics. Bebel was able to dispose of this argument. "The capitalists of England are the most able in the world," he said. "If next year at the general elections English Liberalism is victorious, it will again make one of you, perhaps John Burns, an Under Secretary of State, not to take an advance towards Socialism, but to be able to say to the working people that it gives them voluntarily what has been refused after a struggle on the Continent, in order to keep the votes of the workers." (This is just what happened.)

"Socialism," he concluded, "cannot accept a share of power; it is obliged to wait for all of the power."

The Amsterdam resolution, passed by a large majority after this debate, was almost identical with that which had been adopted by a vote of 288 to 11 at the German Congress at

Dresden in the previous year (1903), and although the Austrian delegates and others, nearly half the total, had expressed a preference for a substitute of a more moderate character, they did not hesitate, when this motion was defeated, to indorse the more radical one that was finally adopted. And in 1909, when this Dresden (or Amsterdam) resolution came up for discussion at the German Congress of Leipzig, it was unanimously reaffirmed. Those opposing it did not dare to dispute it at all in principle, but merely expressed the mental reservation that it was qualified by another resolution adopted at a recent Congress which had declared that the party should be absolutely free to decide the question of *temporary* political alliances in *elections*. As such electoral combinations, valid only for the *second ballot*, and lapsing immediately after the elections, had always been common, the Dresden resolution was never meant by the majority of those voting for it to forbid them. Its purpose was only to insist that the object of the Socialists must always be social revolution and not reform, since, to use its own words, supreme political power "cannot be obtained step by step."

"The Congress condemns most emphatically," the Dresden resolution declared, "the revisionist attempt to alter our hitherto victorious policy, a policy based upon the class struggle; just as in the past *we shall go on achieving power by conquering our enemies, not by compromising with the existing order of things.*" (My italics.) In a recent letter widely quoted by the continental press, August Bebel contended that in Germany at least the Social Democracy and the other political parties have grown farther and farther apart during the last fifty years. While Bebel claims that Socialists support every form of progress, he insists that nevertheless they remain fundamentally opposed even to the Liberal parties, for the reason, as he explained at the Jena Congress (1905), that "*an opposition party can, on the whole, have no decisive influence until it gains control of the government,*" that until the Socialists themselves have a majority, governments could be controlled only by an alliance with non-Socialist parties. "If you (the Socialist Party) want to have that kind of an influence," said Bebel, "then stick your program in your pocket, leave the standpoint of your principles, concern yourself only with purely practical things, and you will be cordially welcome as allies." (Italics mine.) At the Nuremburg Congress (1908) he said: "We shall reach our goal, not through

little concessions, through creeping on the ground, and coming down to the masses in this way, but by raising the masses up to us, by inspiring them with our great aims."

Another question arose in the German Party which at the bottom involved the same principles. It had been settled that Socialists could not accept a share in any non-Socialist administration, no matter how progressive it might be. But if a social reform government is ready to grant one or more measures much desired by Socialists, shall the latter vote the new taxes necessary for these measures, thus affording new resources to a hostile government, and shall it further support the annual budget of the administration, thus extending the powers of the capitalist party that happens to be in power? The Socialist policy, it is acknowledged, has hitherto been to vote for these individual reforms, but never to prolong the life of an existing non-Socialist government. The fundamental question, says Kautsky, *is to whom is the budget granted*, and not *what measures are proposed*. "To grant the budget," he says, "means to give the government the right to raise the taxes provided for; it means to put into the hands of the governor the control of hundreds of millions of money, as well as hundreds of thousands of people, laborers and officeholders, who are paid out of these millions." That is to say, the Socialist Party, according to the reasoning of Kautsky and the overwhelming majority of Socialists, wherever it has become a national factor of the first importance, must remain an opposition party — until the main purpose for which it exists has been accomplished; namely, the capture of the government, and for this purpose it must make every effort to starve out one administration after another by refusing supplies. At the National Congress at Nuremburg in 1908 it was decided by a two-thirds vote that in no one of the confederated governments of Germany would Socialists be allowed to vote for any government other than that of their own party, no matter how radical it might be, unless under altogether extraordinary circumstances, such as are not likely to occur. Some of the delegates of South Germany said that they would not be bound by this decision, but later a number expressed their willingness to accede to it, while others of them were forced to to so by the local congresses of their own party.

This question was brought up at the German Congress at Leipzig in 1909. The parties in possession of the govern-

ment had proposed a graduated inheritance tax, which nearly all Socialists approve. Moreover, a *part* of the taxes of the year would be used for social reforms. Favoring as they did the change in the method of taxation, would the Socialist members of the Reichstag be justified in voting for the proposed tax at the third reading? All agreed that it was well to express their friendly attitude to this form of tax at the earlier readings, but approval at the third reading might have the effect of finally turning over a new sum of money to an unfriendly government; although it would be collected from the wealthier classes alone, it might be expended largely for anti-democratic purposes. The revolutionaries, with whom stood the chairman of the convention, the late Paul Singer, were against voting for the tax on the third reading, for they argued that if the Socialists granted an increased income to a hostile government merely because they were pleased with the form of the taxes proposed, it might become possible in the future for capitalist governments to secure Socialist financial support in raising the money for any kind of reactionary measures merely by proving that they were not obtaining the means for carrying them out from the working people.

Half of the members of the Parliamentary group, on the other hand, decided in favor of voting for the tax on the third reading, the reformists largely on the ground that it would furnish the means for social reforms, Bebel and others, however, on the entirely different ground that if the upper classes had to pay the bill for imperialism and militarism, the increase of expenditures on armaments would not long continue.

The "radical" Socialists represented by Ledebour proposed that not one penny should be granted the Empire except in return for true constitutional government by the Kaiser. Certainly this was not asking too much, even though it would constitute a political revolution, for the majority of the whole Reichstag afterwards adopted a resolution proposed by Ledebour demanding such guarantees. In other words, he would make all other questions second to that of political power — no economic reform whatever being a sufficient price to compensate for turning aside from the effort to obtain democratic government, *i.e.* more power.

Bebel, however, said he would have voted for the bill if he had been present, though he made it clear both at this and at the succeeding congress that he had no intention of

affording the least support to a capitalistic administration (see below).

It appears that Bebel's position on this matter is really the more radical. Ledebour and Singer seemed to feel that the further democratization of the government depends on Socialist pressure. The more revolutionary view is that capitalism in Germany, with the irresponsible Kaiser, the unequal Reichstag election districts, the anti-democratic suffrage law and constitution in Prussia, is impregnable — but that the progressive capitalists may themselves force the reactionaries to take certain steps toward democracy in order to check absolutism, bureaucracy, church influence, agrarian legislation, and certain excesses of militarism. (See the previous chapter.) The position of the "radicals" was that capitalism was so profoundly reactionary that even the shifting of the burdens of taxation for military purposes to capitalist shoulders should not check it. Bebel's view was more revolutionary. For even conceding to capitalism the possibility of checking armaments and ending wars, and of establishing semidemocratic governments on the French or English models, he finds the remainder of the indictment against it quite sufficient to justify the most revolutionary policy.

However, the main question was not really involved at this Congress. A government might be supported on this tax question and the support be withdrawn later when it came to a critical vote on the budget as a whole, or on some other favorable occasion.

It was only at the Congress at Magdeburg, in 1910, that the latter question was finally disposed of. The Magdeburg Congress not only reaffirmed the revolutionary policy previously decided upon by the German and International Congresses already mentioned, but it also showed that the revolutionary majority, stronger and more determined than ever, was ready and able to carry out its intention of forcing the reformist minority to follow the revolutionary course. This congress, besides more accurately defining the view of the revolutionary majority, made clearer than ever the profound differences of opinion in the Socialist camp. The subject under discussion was: Can a Socialist party support a relatively progressive capitalist government by voting for the budget when no fatal danger threatens the party's existence, such as some *coup d'état?* Seventeen of the twenty Socialist

members of the Legislature of Baden, without any such excuse, had supported a more or less progressive government and kept it in power, the very action that had been so often forbidden.

The importance of this act of revolt lay in the fact that the government the Socialists had supported, however progressive it might be, was frankly anti-Socialist. On several occasions the Prime Minister, Herr von Bodman, has made declarations of the most hostile character, as, for instance, that no employee of the government could be a Social-Democrat, and that the local officials should make reports of the personnel of the army recruits "so that those of Social-Democratic leanings could be properly attended to." After one of these declarations, even the Socialist members of the legislature who had previously planned to vote for the government, were repelled, and decided that was impossible to carry out their intentions. The Prime Minister thereupon made a conciliatory speech for the purpose of once more obtaining this vote. But even this speech was by no means free from the most marked hostility to Socialism. "To portray the Social-Democracy as a mere disease is not correct," said he; "it is to be cast aside in so far as it fights the monarchy and the political order. But, on the other hand, it is a tremendous movement for the uplift of the fourth estate, and therefore it deserves recognition."

It will be seen that the Prime Minister withdrew nothing of his previous accusations. But the Baden Social-Democrats finally decided that, if they did not support him, some important reforms would be lost, especially a proposed improvement of the suffrage for town and township officials. This was not a very radical advance, for even the *Frantfurter Zeitung*, a strongly anti-Socialist organ, wrote that "from the standpoint of consistent Liberalism the bill left so many aspirations and so many just demands unfulfilled that even the parties of the left, not to speak of the Social-Democrats, would be justified in declining to pass the measure."

Indeed the South German reformists do not really pretend that it is any one particular reform that justifies laying aside or temporarily subordinating the fight against capitalist government. At the Nuremburg Congress in 1908 the ground given for an act of this kind was that if Socialists did not vote for that budget particularly, a large number of the officials and workingmen employed by the government would fail to

receive the raise of wages or salary that it offered. Herr Frank, spokesman of the Baden Party, now defended the capitalist government of Baden and the Socialist action in supporting it, on the general ground that *advantages could thus be secured for the working classes.* Of course, this brings up immediately the question: if moderate material advantages are all the working people are striving for, why cannot some other party which has more *power* than the Socialists give still more of these advantages? Indeed, the fact that all these reforms were supported by capitalist parties and were allowed to pass by a frankly capitalistic government (progressive, no doubt, but anti-Socialist), gives this government and these parties a superior claim to the credit of having brought the reforms about.

What were "the advantages for the struggle of the working class" that Frank and his associates could obtain by voting for the Baden Budget of 1910 — besides the extension of the suffrage? First importance was placed upon school reforms. Several religious normal schools were abolished; women were permitted to serve on municipal committees for school affairs and charities; the wages of teachers were somewhat increased; school girls were given an extra year; physicians were introduced into the schools; and a law was passed by which, for the first time, children were no longer forced to take religious instruction against the will of their parents. Social-Democrats in the legislature were allowed for the first time to write the reports for important committees, such as those on the schools, factory inspection, and town or township taxation. Aside from these considerable improvements in the schools and in the election law, the only advantage of importance was a decrease of the income tax for those who earn less than 1400 marks ($350). One might have expected that a government which claims to be progressive, to say nothing of being radical or Socialistic, would altogether have exempted from taxation incomes as small as $350 — modest even for Germany. Frank mentions also that 100,000 marks ($20,000) was appropriated for insurance against unemployment, but this sum is trifling for a State the size of Baden.

It was not denied by the radical Socialists that such measures are desirable, but they did not feel that it was worth while, on that account, to lay aside their main business, that of building up a movement to overthrow capitalist government. As I have shown, capitalist governments may be expected

continually to inaugurate programs of reform which, while strengthening capitalism, are incidentally of more or less benefit to the working class. This is neither any part of Socialism, nor does it tend towards decreasing the economic disparity between the classes.

"If small concessions and trifles have been referred to," said the revolutionary Karl Liebknecht, "it must not be understood that by this it is meant to undervalue the practical work of the Badenese, but that what has been attained is considered to be small, when measured by the greatness of our aims. The so-called radicals, these are the true reformers, the realistic political reformers who do not overlook the forest on account of the trees."

Bebel, in two long speeches delivered at this Congress, defined the Socialist attitude to existing governments and existing political parties in a way that no longer leaves it possible that any earnest student of Socialism can misunderstand it. He was supported by the overwhelming majority of the Congress when he said that the policy of the Baden Social-Democrats meant practically the support of the National Liberals; that is to say, of the conservative party of the large capitalists. The Socialists of Germany all consider that the parties nearest related to theirs are the Radical or small capitalist parties, formerly called the "Freethinkers" and the "People's" parties (Freisinnige and Volkspartei) and now united under the name Progressive Party. But a tacit alliance with these alone could not have been brought about in Baden, so that the Socialists there favored going so far as to ally themselves for all practical purposes with the chief organization representing the bankers, manufactures, and employers — with the object, of course, of overcoming the conservatives, the Catholic and aristocratic parties.

"Now all of a sudden we hear that our tactics are false, that we must ally ourselves with the National Liberals," said Bebel. "*We even have National Liberals in our party. . . . But if one is a National Liberal, then one must get out.* The Badenese speak of the great results which they have obtained with the help of the Great Alliance [*i.e.* an alliance with both National Liberals and Radicals]. Now results which are reached with the help of the National Liberals don't bring us very far.

"If we combine with capitalistic parties, you can bet a thousand to one that we are the losers by it. It is, so to speak, a law of nature, that in a combination of the right and the left

the right draws the profits. Such a combination cripples criticism and places us under obligations."

"*The government can well conciliate the exploited classes in case of necessity, but never with a fundamental social transformation in the direction of the socialization of society.*" The reader must here avoid confusion. Bebel does not say that the ruling class cannot or will not bring about great legislative and political reforms, such as large governmental undertakings of more or less benefit to every class of the community, like canals or railways, but that such measures as are *conceded to the Socialist pressure* and at *the same time actually work in the direction of Socialism are few and insignificant.* Bebel's meaning is clear if we remember that we do not move towards Socialism unless the reforms when taken together are sufficient both *to counteract governmental changes and the automatic movement of society in the opposite direction.*

Frank tried to make out that his action and that of his companions in allying themselves with a progressive capitalist government was similar to that taken by the Socialists in other countries. He mentioned Denmark, England, and Austria, and one of the governments of Switzerland (Berne), and also claimed that the Belgians would probably support a Liberal government in case they and the Liberals gained a majority. All these statements except one (that concerning England) Bebel denied. We do not need to take his interpretation of the Austrian situation, however, any more than Frank's, for an Austrian delegate, Schrammel, was present and explained the position of his party. "If we voted for the immediate consideration of the budget, we voted only for taking up the question and not for the budget itself. . . . I declare on this occasion that the comrades can rest assured as to our conduct in the Austrian Parliament, that we would under no circumstances vote for a budget without having the consent of our comrades in the realm. We will not act independently, but will always submit ourselves to the decisions of the majority taken for that particular occasion." It would seem from this that the Austrians are considering the possibility of voting for the budget under certain circumstances. But the Germans would also do this much, and it is uncertain whether the cases in which the Austrians would take this action would be any more frequent.

As to the English attitude, Bebel said: "The English cannot serve us as a model for all things, first because England

has quite other conditions, and secondly, because there is no great Social-Democratic Party there at the present moment. Marx would no longer point to trade unions there as the champions of the European proletariat. From 1871 Marx showed the German Social-Democracy that it was its duty to take the lead. We have done this, and we will continue to do it, if we are sensible." As to Denmark, Bebel said that he was assured by one of the most prominent representatives of the Danish movement that even if the Socialists and Radicals had secured a majority in the recent elections, that the former would not have become a part of the administration. France had also been mentioned by some of the speakers, since Jaurès and his wing of the French Party had at one time favored the policy of supporting a progressive capitalist government. But Bebel reminded the Congress that Jaurès had expressly declared that he had not been persuaded to vote against the budget by the resolution to that effect passed at the International Congress of Amsterdam, but that, after a long hesitation, he did it "out of his own free conviction."

Bebel did not hesitate to condemn roundly those who were responsible for this latest effort to lead the party to abandon its principles. He did not deny that a majority of the organization in Baden and also in Hesse agreed with its representatives. But he attributed this partly to the fact that the revisionists controlled the Baden party newspapers, which he accused of being partisan and of not giving full information, and partly to the regrettable influence of "leaders." Similar conditions occur internationally, and Bebel's words, like so much that was said and done at this Congress, have the highest international significance.

"The peoples cannot at all grasp why one still supports a government which one would prefer to set aside to-day rather than to-morrow," he said. "A part of our leaders no longer understand, and no longer know what the masses have to suffer. You have estranged yourselves too much from the masses.

"Formerly it was said that the consuls should take care that the state suffers no harm. *To-day one must say, let the masses take care that the leaders prepare no harm. Democratic distrust against everybody, even against me, is necessary. Attend to your editors.*" These expressions, like the others I have quoted, received the greatest applause from the Congress.

It was almost unanimously agreed that, although the Socialist members of the Baden legislature had acted against

the decision of the previous Nuremburg Congress, it was neither wise nor necessary to proceed so far as expulsion, and Bebel especially was in favor of acting as leniently as possible, but this does not mean that he found the slightest excuse for the minority or that he failed to let them understand that he would fight them to the end, if they did not yield in the future to the radical majority.

"If a few among us should be mad enough," he said, "to think of a split, I know it is not coming. The masses will have nothing to do with it, and if a small body should follow, it would not take three months until we would have them again in our armies. Our friends in South Germany who are against our resolution ought to ask themselves if, since the Nuremburg Congress, there has not appeared a noteworthy reversal of sentiment. Now to-day North Bavaria is thoroughly against the granting of the budget. Nuremburg is decidedly against it. Stuttgarters and others who spoke at that time occupied an entirely different standpoint to-day. The Hessian minority against the granting of the budget was never as strong as it is to-day. In Hanover voices are to be heard which expressed themselves very differently before, but are now also against it. If anybody thinks that he can easily escape from all these phenomena, then he is mightily mistaken. I guarantee that I could draw out quite another sentiment in Baden." "Try once!" it was called out from the audience, and Bebel answered: "Yes, we are ready to do this if we must. The proletarians of Baden would have to be no proletarians at all if it were otherwise."

The principal resolution on the question, signed by a large minority of the Congress, proposed that any persons who voted for a budget by that very act automatically "stood outside the party." Bebel said that this was not the customary method of the organization, and pointed out that no means were provided in the constitution of the party for throwing out a whole group, that the constitution had been drawn up only for individuals, and provided that any one to be expelled should receive a very thorough trial. As opposed to this resolution, he offered a report in the name of the executive committee of the party, which stated, however, that there was no fundamental difference of opinion between the executive and the signers of the resolution above mentioned, but only a difference as to method.

This report declared: "We are of the opinion that in case the resolution of the party executive is passed, and notwithstanding this the resolution is not respected, that then the conditions are present for a trial for exclusion according to

Article 23 of the oganization statutes." This article says: "No one can belong to the party who is guilty of gross misconduct against the party program or of a dishonorable action. Exclusion of a member may also take place if his persistent acts against the resolutions of his party organization or of the party congress damage the interests of the party."

The passage of Bebel's resolution, by a vote of 289 to 80, was an emphatic repudiation of reformism. In the minority, besides the South Germans, were to be found a considerable proportion of the delegates from a very few of the many important cities of North Germany, namely, Hanover, Dresden, Breslau, and Magdeburg, together with an insignificant minority from Berlin and Hamburg.

The South Germans claimed to be fairly well satisfied with the somewhat conciliatory resolution of Bebel in spite of his strong talk. But, as has been the case for many years, they were very aggressive and, in closing the debate, Frank made some declarations which brought the Congress to take even a stronger stand than Bebel had proposed.

"To-day I say to you in the name of the South Germans," said Frank, "that we have the very greatest interest in union and harmony in the party. We will do our duty in this direction, but no one of us can declare to you to-day what will happen in the budget votings of the next few years. That is a question of conditions." This remark caused a great disturbance and was taken by the majority as a defiance and a warning that the South Germans intended to support capitalistic governments in the future. In fact, other remarks by Frank left no doubt of this. "In Nuremburg," he said "we rested our case on the contents of certain points of the budget, namely, the increase of the wages of laborers, and the salaries of officials. This time we gave the political situation as a ground. These are, as Bebel will concede, different things." . . . Frank went on to say that he and his associates would obey the resolution of the Congress not to vote for the budget *under the particular conditions* proscribed at Nuremburg or at Magdeburg. "But," he said, "do you believe that there ever exists a situation in the world which is exactly like another? Do you believe that a budget vote to-day must absolutely be like a budget vote two years from now?"

That is to say, Frank openly and defiantly announced that the South Germans might easily find some new reason for doing what they wanted to do in the future, in spite of the clear will of the Congress.

A new resolution was then brought in by the majority to this effect: "In view of the declaration of Comrade Frank

in his conclusion that he and his friends must take exception to the position taken in the resolution of the Congress, we move that the following sentence from the declaration of Comrade Bebel in support of the motion of the party executive should be raised to the position of a resolution; namely, 'We are of the opinion that in case the resolution of the party executive is passed, and notwithstanding the resolution is disrespected, that then the conditions are present for a trial for exclusion according to article 23 of the organization statutes.' "

When this motion was put, Frank and the South Germans left the room, and it was carried by 228 to 64, the minority this time consisting mostly of North Germans. This vote showed the very highest number that could be obtained from other sections to sympathize with the South Germans; for the resolution in its finally accepted form was certainly a very sharp one, and Richard Fisher, a member of the Reichstag from Berlin, and others for the first time took a stand with the minority. It is doubtful, however, whether the total support the South Germans secured at any and all points together with their own numbers reached as high a figure as 120 or one third of the Congress. In the matter of their right openly to disobey the majority, the Baden Party could not even secure this vote, but was only able to bring together against the majority (consisting of 301) seventy-one delegates, nearly all South Germans.

It appears, then, that the overwhelming majority of the German Party is unalterably opposed to "reformism," "revisionism," opportunism, compromise, or any policy other than that of revolutionary Socialism. For not only the question of supporting capitalist governments, but all similar policies, were condemned by these decisive majorities.

How much this means may be gathered from the fact that "revisionists" as the "reformists" are called in Germany, practically propose that the Socialist Party should resolve itself for an indefinite period into an ordinary democratic reform party in close alliance with other non-Socialist parties.

"The weightiest step on the road to power," wrote the revisionist Maurenbrecher, "is that we should succeed in the coming Reichstag in shaping the Liberal and Social-Democratic majority (formed) for defense against the conservatives, into a positive and effective working majority." In discussing the support of the budget by the Social-Demo-

crats of Baden, Quessel explained definitely what kind of positive and effective work such an alliance would be expected to undertake; namely, "To fight personal government [of the Kaiser], to protect earnestly the interest of the consumers against the exploiting agrarian politicians, to undertake limitations of armaments on the basis of international treaties, to introduce a new division of the election districts [which has not been done since 1871], and to bring about a legal limitation of the hours of labor to ten at the most." Already the radical parties now united, favor all these measures except the limitation of armaments, which from the analogy with peace movements in other countries, and certain indications even in Germany, they may favor within a very few years. Quessel's program is that of the non-Socialist reformers, and a step, not towards Socialism, but towards collectivist capitalism.

Karl Kautsky has dealt with the immediate bearing in German Socialism of what he calls "the Baden rebellion," at some length, in answer to Maurenbrecher, Quessel, and others. (4) "The idea of an alliance from Bassermann [the National Liberal leader] to Bebel appears at the first glance to be quite reasonable," he writes, for "divided we are nothing, united we are a power. And the immediate interest of the Liberals and of the Social-Democrats is the same: 'the transformation of Germany from a bureaucratic feudal state into a constitutional, parliamentary, Liberal, and industrial State.'" Kautsky, however, combats the proposed alliance, from the standpoint of the Social-Democratic Party, along three different lines. First, he shows that the purposes of the Liberals in entering into such a combination are entirely at variance with those of the Socialists; second, that the Liberals are discredited before the German people and are not likely to have the principle or the capacity even to obtain those limited reforms which they have set on their program, and, third, that even if the two former reasons did not hold, the Socialists would necessarily have everything to lose by such common action.

The second argument seems to prove too much. Kautsky reasons that neither the Radical not the Liberal parties can be relied upon even to carry out their own platforms: —

"The masses now trust the Social Democracy exclusively because it is the only party which stands in irreconcilable hostility to the

reigning régime, which does not treat with it, which does not sell principles for offices; the only one which swings into the field energetically against militarism, personal government, the three-class election system, the hunger tyranny [the protective tariff]. On this depends the tremendous efficiency which our party has to-day. On this depends the great results which it promises us. . . . The whole effect of the Great Alliance policy [the proposed alliance of Socialists with the Radicals and National Liberals], if ever it became possible in the nation, at the best would be this: that we would serve to the Liberals as the step on which they would climb up into the government crib, in order to continue the same reactionary policies which are now being carried on, with a few unimportant variations: imperialism, the naval policy, increase of the army, the increase of officials, the continuation of the protective tariff policy, and the postponement of Prussian electoral reforms."

But if the Liberals and Radicals refuse to carry out their own pledges, the conclusion would seem to be, not Kautsky's revolutionary one, but that the Socialists, far from stopping with a mere alliance, must take up the Liberals' or the Radicals' functions, as the "reformists" desire. However, there are strong grounds for believing that the Liberals in Germany will at last rise to the level of their own opportunities, as they have done in other countries. Already, the last Reichstag passed a resolution demanding that the Kaiser should be held responsible to that body, which means an end to personal rule; already the Radicals are in favor of Prussian electoral reform, and would undertake sweeping, if not satisfactory, changes in the tariff; and already the agitation against militarism is sincere and profound among those powerful elements of the capitalists whose interests are damaged by it, as well as among the "new middle-class." If the present tendencies continue, why may not the Radicals go farther? Is it not probable even that the Reichstag election districts will be equalized, and possible that equal suffrage in Prussia will be established by their support? For if the Radicals recognized, like those of other countries, that equal suffrage would render the reforms of capitalist collectivism feasible, they could considerably increase their vote by means of these reforms and hold the balance of power for a considerable period; the Socialists would be far from a majority, as they would thus lose those supporters who have voted with them solely because for the moment the Socialists were advancing the Radical program more effectively than the Radicals.

The chief Socialist argument against any political alliance with capitalist parties is, however, of a more general character. Referring to the elections of 1912, Kautsky said: —

"How far they will bring us an increase in seats cannot be determined to-day. . . . But an increase of votes is certain — if we remain what we have been, the deadly enemy of the existing social and political condition, which is oppressing the masses more cruelly all the time, and for the overthrow of which they are all the time more ardently longing. If, on the other hand, we go into the electoral struggle arm in arm with the Freethinkers (Radicals) or even with the National Liberals, if we make ourselves their *accomplices*, if we declare ourselves ready for the same miserable behavior which the Freethinkers made themselves guilty of by entering into an alliance with von Buelow, we may disillusion the masses; we may push them from us and kill political life. If the Social Democracy ceases to be an opposition party, if even this party is ready to betray its friends as soon as it becomes by such means "capable of governing," those who are oppressed by present-day conditions will lose all confidence in progress by political struggle; then we shall be sowing on the one side the seeds of political indifference and on the other those of an anarchistical labor unionism." (Italics mine.) (4)

Here is the generally accepted reason for the Socialist's radical attitude. In most countries Socialists are unwilling to make themselves *accomplices* in what they consider to be the political crimes of all existing governments. Especially do they feel that no reform to which the capitalists would conceivably consent would justify any alliance. The inevitable logic of Kautsky's own position is that, *even if the liberals in Germany and elsewhere do undertake a broad program of reform*, including all those Kautsky mentions as improbable, no sufficient ground for an alliance is at hand.

Kautsky himself now admits that there seems to be a revival of genuine capitalistic Liberalism in Germany, which may lead the Liberal parties to become more and more radical and even ultimately to democratize that country — with the powerful aid, of course, of the Social-Democrats. Evidence of this possibility he saw both in the support given by Liberals of all shades to Socialist candidates in many of the second ballots (in the election of 1912) and the fact that Bebel secured the overwhelming majority of Liberal votes as temporary President, while another revolutionary Socialist, Scheidemann, was actually elected by their aid as first temporary Vice President of the Reichstag.

Kautsky asserts cautiously that this denotes a *possible* revolution in German Liberalism. He again mentions Imperialism as the great issue that forbids even temporary cooperation between Socialists and the most advanced of the Radicals. But he admits that the rapid development of China and other Eastern countries will probably check the profits to be made by Europe and America from their economic development. And after Imperialism begins to wane in popularity among certain of the middle classes, *i.e.* the salaried and professional classes, he thinks the latter *may* turn to genuine democratic, though capitalistic, Liberalism.

He reaches this conclusion with some hesitation, however. These new middle classes differ fundamentally from the older middle classes, which were composed chiefly of small farmers, shopkeepers, and artisans. The old middle classes, when they found themselves in a hopeless position, have often joined with the proletariat to bring about revolutions, only to betray it, however, after they had won. The new middle class is most dependent on the large capitalists for favor and promotion, and so is not in the least revolutionary. It does not care to fight with the proletariat until the latter becomes very strong, but when victory seems possible, by a concerted action will be ready, because of its lack of property, to stand steadfastly for Socialism.

The question remains as to when such a Socialist victory will be imminent. Kautsky holds that as soon as Imperialism fails as a propaganda, the ground is ready for Socialism to flourish, and that the new middle class then divides into two parts, one of which remains reactionary, while the other becomes Socialistic (*Berliner Vorwaerts*, February 25, 1912).

I have shown that after Imperialism, on the contrary, we may expect a temporarily successful Liberal policy based on capitalistic collectivism, and even on complete political democracy, where the small farmers are sufficiently numerous. This view would accord with the latest opinion of Kautsky, except that he expects the new policy to be supported chiefly by the salaried and professional classes. I have proved, on the contrary, that it is to the economic interest also of all those capitalists, whether large or small, who are deeply rooted in the capitalist system and therefore want its evolution to continue. In favor of "State Socialism," therefore, will be found most active trust magnates, the prosperous middle and upper groups of farmers, and those remaining

capitalists who either through their economic or through their *political* position have no cause to be alarmed at the present concentration of capital. Against the collectivist tendency will be all those capitalists who want to compete with trusts, city landlords, and real estate dealers, and financial magnates whose power consists largely in their control over the wealth of inactive large capitalists or small investors.

Kautsky has begun to see that a progressive capitalistic policy *may* take hold of the professional and salaried classes in Germany; he would probably not deny that in many other countries it is being taken up by certain groups of capitalists also, and that this same tendency may soon be seen in Germany. And when it is, the German Socialists will obviously be less anxious about the fate of much-needed reforms, will find themselves able more frequently to trust these reforms to capitalistic progressives, and will give themselves over more largely than ever to the direct preparation of the masses for the overthrow of capitalist government.

That is to say, the Socialist movement, like all the other forces of individual and social life, becomes more aggressive as it becomes stronger — and it is, indeed, inexplicable how the opposite view has spread among its opponents.

Not only does it seem that the German movement is showing little or no tendency to relax the radical nature of its demands, but it does not appear that its enemies are, for the present at least, to be given the satisfaction of seeing even a minority split off from the main body. That a split may occur in the future is not improbable, but if the movement continues to grow as it has grown, it can afford to lose many minorities, just as it has suffered comparatively little damage from the desertion of several prominent individual figures.

It is true that the division of opinion in the Party might now be sharper but for the artificial unity created by the great fight for a more democratic form of government that lies immediately ahead. If the needed reforms are granted without any very revolutionary proceedings on the part of the Socialists, as similar reforms were granted in Austria, the Party might then conceivably divide into two parts, in which case it is probable that a majority of the four million Socialist *voters* might go with the anti-revolutionist and reform wing, but it is equally probable that a large majority of the

Party members — now nearly a million (including women) — would go with the revolutionists. In case of a split, the reform wing of the party, already in the friendliest relations with the non-Socialist radicals, would doubtless join with them to constitute a very powerful, semidemocratic party, similar to the Radicals and Labourites of Great Britain or the so-called "Socialist Radicals" and "Independent Socialists," who dominate the Parliament of France. Besides a difference in ideals, which counts for little in practical politics, — for nothing, in the extremely opportunist policies of the "reformists," — the only difference of importance between them is in their attitude towards militarism and war. If peace is firmly established with France, it is difficult to see what can keep the reformers and the "reformists" of Germany much longer apart.

A more or less "State Socialistic" Party, such as would result from this fusion would, of course, involve concessions by both sides. While the non-Socialist "reformers" would have to adopt a more aggressive attitude in their fight for a certain measure of democracy and against militarism, and would have to be ready to defend the rights of the more conservative labor unions, the "reformists" would have to take up a still more active interest in colonies and still further their republicanism. Many of them have already gone far in these directions. Colonialism even had the upper hand among the Germans at the Stuttgart Congress (1907); and the tendency of the South Germans to break the Socialist tradition and tacitly to accept monarchy by participation in court functions is one of the most common causes of recrimination in the German Party. It is difficult, then, to see how these two movements can long keep apart. The only question is whether, when the time comes, individuals or minorities will leave the Socialist Party for this purpose, or whether in some of the States the Party organization will be captured as a whole, leaving only a minority to form a new Socialist Party.

"It is a well-known fact," says W. C. Dreher, expressing the prevalent view of the German movement, "that, for some years, many voters have been helping those who by no means subscribe to the Socialists' creed, — doing so as the most effective means of protecting against the general policy of the government. It is equally certain that a large part of the regular Socialist membership is composed of discontented men who have but a lukewarm

interest in collectivism, or believe that it can never be realized. . . . If a change should come over Germany, if Prussia should get rid of its plutocratic suffrage reform and give real ballot reform, if the protective duties should be reduced in the interest of the poorest class of consumers, — it may be safely assumed that the tide of Socialism would soon begin to ebb." (6)

If Mr. Dreher had added the reduction of military burdens to tariff reform and equal Reichstag election districts, an extended suffrage for Prussia, and a responsible ministry, there would have been at least this truth in his statement — that *if all these things were accomplished,* the tide of Socialist *votes* would for the moment be checked. His interpretation of the situation, however, is typical of the illogical statements now so commonly made concerning the growth of the German movement. That political tide which is wrongly assumed to be wholly Socialist would indeed be suddenly and greatly checked; but there is no reason to suppose that the Socialist tide proper, as indicated by growth of the Socialist Party membership, would be checked, nor that the Socialist vote even, after having been purified of the accidental accretions, which are its greatest hindrance, would rise less rapidly than before.

The German Socialist situation is important internationally for the decisive defeat of the "revisionists," and for the light it throws on party unity, but it is still more important for the *means* that have been adopted for preserving that unity. If Socialist parties are to reconstruct society, they must first control their own members in all matters of common concern, especially those who are elected to public office. For before a new society can arise against the resistance of the old, the Socialist parties, according to the prevailing Socialist view, must form a "State within a State."

This principle is soon to be put to a severe test in the United States. The policy which says that the Socialist movement must be directed by organized Socialists, who can be taxed, called on for labor, or expelled by the Party, and not by mere voters, over whom the Party has no control, becomes of the first moment when forms and methods of organization are prescribed for all parties by law. By the primary laws of a number of States, anybody who for any reason has voted for Socialist candidates may henceforth have a voice not only in selecting candidates, but in forming the party organization, and in constructing its platform. In some States even, any citizen may vote at any primary he pleases. This makes it possible for capitalist politicians to direct or disrupt the Socialist Party at any moment, until the time arrives when

it has secured a majority or a very large part of the electorate, not only as Socialist voters, but as members of the Socialist organization. As Socialists do not expect this to happen for some years to come, or until the social revolution is at hand, it is evident that this new legislation may destroy Socialist parties as they have been, and necessitate the direction of Socialist politics by leagues or political committees of Socialist labor unions — while the present Socialist parties become Populist or Labor parties of the Australian type. *This might create a revolution for the better in that it would free the new Socialist organization from office seeking and other forms of political corruption.* But it would at the same time mark the complete abandonment of the present Socialist method, *i.e.* the strict control of all persons elected to office by an independent organization which in turn controls its conditions of admission to membership.

One of the most widely circulated of the leaflets issued from the national headquarters of the American Socialist Party, entitled "Socialist Methods" appeals for public support largely on the ground that "in nominating candidates for public offices the Socialists require the nominee to sign a resignation of the office with blank date, which is placed in the hands of the local organization to be dated and presented to the proper officer in case the candidate be elected and fails to adhere to the platform, constitution, or mandates of the membership."

The newer primary laws taken in connection with the recall, as practiced in many American cities and several States, threaten this most valuable of all Socialist methods and may even undermine the Socialist Party as at present organized. The initiative in this process of disruption comes, of course, from Socialist officeholders who owe either their nomination or their election or both, in part at least, to declared non-Socialists, and still more largely to voters who only partially or occasionally support the Socialist Party and have no connection with the organization.

Thus, Mayor Stitt Wilson of Berkeley, California, has refused to comply with this custom of executing an undated resignation from office in advance of election, and the local organization has defended his action on the ground that the "Berkeley municipal charter, providing as it does for the initiative, referendum, and recall, there is no necessity for any official placing his resignation in the hands of the local,"

ignoring the fact that a handful of the least Socialistic of those who had voted for Mr. Wilson in coöperation with his opponents could defeat a recall unanimously indorsed by the Socialist Party. According to this principle a mere majority in the Socialist Party would be helpless against a mayor who is allowed to make his appeal to the far more numerous non-Socialist and anti-Socialist public.

As the custom of requiring signed resignations, by which alone the Socialist Party controls its members in public office, is not yet prescribed by the Party constitution, local and state organizations have a large measure of autonomy, and the Berkeley case was dropped until the next national convention (1912). But the action taken by the Socialists of Lima, Ohio, indicates that the Party will not allow itself to be destroyed in this manner. Mayor Shook, by his appointment to office of non-Socialists, and even of a prominent anti-Socialist, caused the local that elected him to present his signed resignation to the city council, which the latter body ignored at the mayor's request. The mayor was promptly expelled from the Party, and the Socialists of the country have almost unanimously approved the expulsion. (7)

The comment of the *New York Call* on this incident undoubtedly reflects the feeling of the majority of the Socialist Party: —

"Owing to the multiplicity of elections we must go through, owing to the peculiar division and subdivision of the administrative authority in this country, this is a thing we shall have to face with accumulating frequency. But that the Socialist Party is sound on the theories of what it is after, and on its own rights as an organization, are both demonstrated by the action taken by Local Lima. The members permanently expelled the traitor. Now let him go ahead and do what he can, personally gain what he can. He does it as a non-Socialist, as a man who is held up to contempt by every decent party member, and is probably held in the most absolute contempt by those who were able to seduce him with such ease.

"At the present state of our development, it is easy for a plausible adventurer to take advantage of the Socialist movement and to use it to a certain point. Where such an adventurer falls down never to rise again, is when he tries 'to deliver the goods' to those whom he serves. . . .

"That he did not possess even rudimentary honesty is shown by the fact that he prevented his letter of resignation from being received by the City Council. This manner of resignation is not and never has been with the Socialists a mere formality. It is a

vital, necessary thing, and should be insisted upon at all times and in all places. No man should go on the ticket unless he has signed the resignation, and no man, unless he is a scoundrel, will sign it unless he intends to live up to it.

"There may be other Shooks in the party, but they should be searched out before nominations, instead of being permitted to reveal themselves after nomination." (8)

"The Socialist Party must conform to the conditions imposed upon other parties," says Mr. J. R. MacDonald in agreement with Mr. Wilson's position. (9) On the contrary, no Socialist Party could possibly survive such an attitude. It is only the refusal to conform that assures their continued existence.

There is no possibility that the Socialist parties of Continental Europe would for a moment allow the State to prescribe their form of organization. Kautsky thus describes the German and the French methods of control:—

"A class is only sure that its interests in Parliament will always be furthered by its representatives in the most decisive and for the time being most effective manner, if it is not content with electing them to Parliament, but always oversees and directs their Parliamentary activities."

Kautsky illustrates this principle of controlling elected persons by referring to the methods of labor unions, and proceeds:—

"The same mass action, the same discipline, the same 'tyranny' which characterize the economic organizations of labor is also suitable to labor parties, and this discipline applies not only to the masses, it also applies to those who represent them before the public, to its leaders. No one of these, no matter in what position he may be, can undertake any kind of political action against the will or *even without the consent of his comrades.* The Social Democratic representative is no free man in *this capacity,* as burdensome as that may sound, but the delegate of his party. If his views come into conflict with theirs, then he must cease to be their representative.

"The present-day Member of Parliament . . . is not the delegate of his election district, but, as a matter of fact, if not legally, the delegate of his party. But this is not true of any party to such an extent as it is of the Social Democracy. And while the party discipline of the bourgeois parties is, in truth, the discipline of a small clique which stands above the separated masses of voters, with the Social Democracy it is the discipline of an organization which embraces the whole mass of the aggressive and intelligent part of the

proletariat, and which is stretching itself more and more to embrace the whole of the working class." (My italics.) (10)

In the introduction to the same booklet, Kautsky sums up for us in a few words the methods in use in France: —

"Our French comrades have created for the solution of this difficulty a body between the Party Congress and the Party Executive like our Committee of Control, but different from the latter in that it counts more members who are elected not by the Congress, but directly by the comrades of the various districts which they represent. A right to elect five members to the Party Congress gives the right to elect one member to the National Council.

"The National Council elects from the twenty-two members of the permanent Executive Committee the five party secretaries, whose functions are paid. It conducts the general propaganda, oversees the execution of party decisions, prepares for the Congresses, oversees the party press and the group in Parliament, and has the right to undertake all measures which the situation at the moment demands." (11)

We see that the Socialist members of the national legislatures, both in Germany and France, are under the most rigid control, and we cannot doubt that if such control becomes impossible on account of legislation enacted by hostile governments, an entirely new form of organization will be devised by which the members of the Socialist Party can regain this power. Either this will be done, or the "Socialist" Party which continues to exist in a form dictated by its enemies, will be Socialist in name only, and Socialists will reorganize — probably along the lines I have suggested.

It would seem, then, that neither by an attack from without or from within is the revolutionary character of Socialism or the essential unity of the Socialist organization to be destroyed.

The departure from the Party of individuals or factions that had not recognized its true nature, and were only there by some misunderstanding or by local or temporary circumstances is a necessary part of the process of growth. On the contrary, the Party is damaged only in case these individuals and factions remain in the organization and become a majority. The failure of those who represent the Party's fundamental principles to maintain control, might easily prove fatal; with the subordination of its principles the movement would disintegrate from within. In fact, the possibility of

the deliberate wrecking of the Party in such circumstances, by enemies within its own ranks, has been pointed out and greatly feared by Liebknecht and other representative Socialists. This tendency, however, seems to be subsiding in those countries in which the movement is most highly developed, such as Germany and France.

PART III

SOCIALISM IN ACTION

CHAPTER I

SOCIALISM AND THE "CLASS STRUGGLE"

Socialists have always taught that Socialism can develop only out of the full maturity of capitalism, and so favor the normal advance of capitalist industry and government and the reforms of capitalist collectivism — on their constructive side. But if capitalism in its highest form of "State Socialism" is the only foundation upon which the Socialism can be built, it is at the same time that form of capitalism which will prevail when Socialism reaches maturity and is ready for decisive action; and it is, therefore, the very enemy against which the Socialist hosts will have been drilled and the Socialist tactics evolved.

The older capitalism, which professed to oppose all industrial activities of the government, must disappear, but it is not the object of attack, for the capitalists themselves will abandon it without Socialist intervention in any form. Socialists have urged on this evolution from the older to the newer capitalism by taking the field against the reactionaries, but they do not, as a rule, claim that by this action they are doing any more for Socialism than they are for progressive capitalism.

Socialism can only do what capitalism, after it has reached its culmination in State capitalism, leaves undone; namely, to take effective measures to establish equal opportunity and abolish class government. To accomplish this, Socialists realize they must reckon with the resistance of every element of society that enjoys superior opportunities or profits from capitalist government, and they must know just which these elements are. It must be decided which of the non-privileged classes are to be permanently relied upon in the fight for this great change, to what point each will be ready to go,

and of what effective action it is capable. Next, the classes upon which it is decided to rely must be brought together and organized. And, finally, the individual members of these classes must be developed, by education and social struggles, until they are able to overcome the resistance of the classes now in control of industry and government.

The popular conviction that the very *existence* of social classes is in complete contradiction with the principles of democracy, no amount of contrary teaching has been able to blot out. What has not been so clearly seen is the active and constant *resistance* of the privileged classes to popular government and industrial democracy, *i.e* the class struggle.

"We have long rested comfortably in this country on the assumption," says Senator La Follette, "that because our form of government was democratic, it was therefore automatically producing democratic results. Now there is nothing mysteriously potent about the forms and names of democratic institutions that should make them self-operative. Tyranny and oppression are just as possible under democratic forms as under any other. We are slowly realizing that democracy is a life, and involves continual struggle." (1)

Senator La Follette fails only to note that this struggle to make democracy a reality is not a struggle in the heart of the individual, but between groups of individuals, that these groups are not formed by differences of temperament or opinion, but by economic interests, and that nearly every group falls into one of two great classes, those whose interests are with and those whose interests are against the capitalists and capitalist government.

Why is the sinister rôle of the upper classes not universally grasped? Because the ideas and teachings of former generations still survive, however much contradicted by present developments. At the time of the American and French Revolutions and for nearly a century afterwards, when political democracy was first securing a world-wide acceptance *as an ideal*, it was looked upon as a creed which had only to be mentally accepted in order to be forthwith applied to life. The only forces of resistance were thought to be due to the ignorance or possibly to the unregenerate moral character of the unconverted. The democratic faith was accepted and propagated by the French and others almost exactly as religion had been. As late as the middle of the last century this conception of democracy, due to the

wide diffusion of small and in many localities approximately equal farms and small businesses, continued to prevail.

About the middle of the nineteenth century the first advance was made. It became recognized with the coming of railroads and steamships that society could never become fixed as a Utopia or in any other form, but must always be subject to change, — and the ideal of social evolution gained a considerable acceptance even before the evolution theory had been generally applied to biology. It was seen that if the ideal of democracy was to become a reality, a certain degree of intellectual and material development was required, — but it was thought that this development was at hand. It was a period when wealth was rapidly becoming more equally distributed, when plenty of free land remained, and when it was commonly supposed that universal free trade and universal peace were about to dawn upon the nations, and equal opportunity, if not yet achieved, was not far away. The obstacles in the way of progress were not the resistance of privileged classes, but the time and labor required for mankind to conquer the world and nature. With the establishment of so-called democratic and constitutional republics in the place of monarchies and landlord aristocracies, and the abolition of slavery in the United States, all systematic opposition to social progress, except in the minds of a few perverted or criminal individuals, was supposed to be at an end.

A generation or two ago, then, though it was now recognized that the golden age could not be attained immediately by merely converting the majority to a wise and beneficent social system (as had been proposed in the first half of the century), yet it was thought that, with the advance of science and the conquest of nature, and without any serious civil strife, "equality of opportunity" was being gradually and rapidly brought to all mankind. This state of mind has survived and is still that of the majority to-day, when the conditions that have given rise to it have disappeared.

Not all previous history has a greater economic change to show than the latter half of the nineteenth century, which converted all the leading countries from nations of small capitalists into nations of hired employees. Even such a far-sighted and broad-minded statesman as Lincoln, for example, had no idea of the future of his country, and regarded the slaveowners and their supporters as the only classes that dreamed that we could ever become a nation of "hired

laborers" (the capitalism of to-day), any more than we could remain in part a nation of "bought laborers." Lincoln puts a society based on hired labor in the same class with a society based on owned labor, on the ground that both lead to an effort "to place capital on an equal footing, if not above labor in the structure of the government." This effort, marked by the proposal of "the abridgment of the existing right of suffrage and the denial to the people of the right to participate in the selection of public officers except the legislative" (so similar to tendencies prevailing to-day), he calls "returning despotism." And so inevitable did it seem to Lincoln that a nation based on hired labor would evolve a despotic government, that he fell back on the fact that the population was composed chiefly not of laborers, but of small capitalists, and would probably remain so constituted, as the only convincing ground that our political democracy would last. In a word, our greatest statesman recognized that our political democracy and liberty were based on the wide distribution of the land and other forms of capital. (See Lincoln's Message of December 3, 1861.) If Lincoln foresaw no class struggle between "hired labor" and the "returning despotism," this was only because he mistakenly expected that the nation would continue to consist chiefly of small capitalists. Yet his conclusions and those of his contemporaries, so clearly limited to conditions that have passed away, are taught like a gospel to the children in our public schools to-day.

The present generation, however, is slowly realizing, through the development of organized capitalism in industry and government, and the increase of hired laborers, that it is not nature alone that civilization must contend against, not merely ignorance or poverty or the backwardness of material development, but, more important than all these, the systematic opposition of the employing and governing classes to every program of improvement, except that which promises still further to increase their own wealth and power.

The Socialist view of the evolution of society is that the central fact of history is this struggle of classes for political and economic power. The governing class of any society or period, Marx taught, consists of the economic exploiters, the governed class of the economically exploited. The governing class becomes more and more firmly established in power, until it begins to stagnate, but the machinery of

production continues to evolve, and falls gradually into the hands of some exploited element which is able to use this economic advantage as a means for overthrowing its rulers. Marx felt that with the vast revolution in society marked by modern science and modern machinery, the time is fast approaching when the exploited classes of to-day will be able to overthrow the present ruling class, the capitalists, and at the same time establish an industrial democracy, where all class oppression will be brought to an end.

However his predictions may turn out in the future, Marx's view of the past is rapidly gaining ground and is possibly accepted by the majority of those most competent to speak on these questions to-day, including many leading economists and sociologists and prominent figures in practical political life. Winston Churchill, for example, says that "the differences between class and class have been even aggravated in the passage of years," that while "the richer classes [are] ever growing in wealth and in numbers, and ever declining in responsibility, the very poor remain plunged or plunging even deeper into helpless, hopeless misery." This being the case, he predicts "a savage strife between class and class," unless the most radical measures are taken to check the tendency. Nor are his statements mere rhetoric, for he shows statistically "that the increase of income assessable to income tax is at the very least more than ten times greater than the increase which has taken place in the same period in the wages of those trades which come within the Board of Trade returns." (2) In other words, the income of the well-to-do classes (which increased nearly half a billion pounds, that is, almost doubled, in ten years) is growing ten times more rapidly than that even of the organized and better paid workmen, who alone are considered in the Board of Trade returns.

Here is a situation which is world-wide. The position of the working class, or certain parts of it, may be improving; the income of the employing and capitalist class is certainly increasing *many fold* more rapidly. Here is the financial expression of the gorwing *divergence* of classes which Marx had in mind, a divergence that we have no reason whatever for supposing will be checked, as Mr. Churchill suggests, even by his most "Socialistic" reforms, short of surrendering the political and economic power to those who suffer from this condition.

At the German Socialist Congress at Hanover in 1899,

Bebel said that even if the income of the working class was increasing, or even if the purchasing power of total wages was becoming greater, the income of the nation as a whole was increasing much more rapidly and that of the capitalist class at a still more rapid rate. The great Socialist statesman laid emphasis on the essential point that capitalists are absorbing continually a greater and a greater proportion of the national income.

The class struggle, says Kautsky, rests not upon the fact that the misery of the proletariat is growing greater, but on *its need to annihilate a pressure that it feels more and more keenly.*

"The class struggle," he writes, "becomes more bitter the longer it lasts. The more capable of struggle the opponents become in and through the struggle itself, *the more important become the differences in their conditions of life, the more the capitalists raise themselves above the proletariat by the ever growing exploitation.*" (3)

This feature of present-day (capitalistic) progress, Socialists view as the very essence of social injustice, no matter whether there is a slight and continuous or even a considerable progress of the working class. The question for them is not whether from time to time something more falls to the workingman, but what proportion he gets of the total product. It would never occur to any one to try to tell a business man that he ought not to sell any more goods because his profits were already increasing "fast enough." It is as absurd to tell the workingman that the moderate advance he is making either through slight improvements as to wages and hours, or through political and social reforms, ought to blind him to all the possibilities of modern civilization from which he is still shut off, and which will remain out of his reach for generations, unless his share in the income of society is rapidly increased to the point that he (and other non-capitalist producers) receive the total product.

The conflict of class interests is not a mere theory, but a widely recognized reality, and the worst accusation that can be made against Socialists is not that they are trying to create a war of classes where none exists, but that some of them at times interpret the conflict in a narrow or violent sense (I shall discuss the truth or untruth of this criticism in later chapters). Yet Mr. Roosevelt voices the opinion of many when he calls the view that the maximum of progress

is to be secured only after a struggle between the classes, the "most mischievous of Socialist theses," says that an appeal to class interest is not "legitimate," and that the Socialists hope "in one shape or another to profit at the expense of the other citizens of the Republic." (4)

"There is no greater need to-day," said Mr. Roosevelt in his Sorbonne lecture, "than the need to keep ever in mind the fact that the cleavage between right and wrong, between good citizenship and bad citizenship, runs at right angles to, not parallel to, the lines of cleavage between class and class, between occupation and occupation. Ruin looks us in the face if we judge a man by his position instead of judging him by his conduct in that position."

This is as much as to say that there are only individuals, but no class, which it is better to have outside than inside of a progressive majority. The Socialist view is the exact opposite. It holds that *the very foundation of Socialism as a method* (which is its only aspect of practical importance) is that the Socialist movement assumes a position so militant and radical that every privileged class will voluntarily remain on the outside; and events are showing the wisdom and even the necessity of these tactics. Socialists would say, "Ruin looks us in the face if, in politics, we judge the men who occupy a certain position (the members of a certain class) by their conduct as individuals, instead of judging them by the fact that they occupy a certain position and are members of a certain class."

Again, to the Chamber of Commerce at New Haven, Mr. Roosevelt expressed a view which, to judge by their actions, is that of all non-Socialist reformers: "I am a radical," he said, "who most earnestly desires to see a radical platform carried out by conservatives. I wish to see great industrial reforms carried out, not by the men who will profit by them, but by the men who will lose by them; by such men as you are around me."

Socialists, on the contrary, believe that industrial reforms will never lead to equality of opportunity except when carried out wholly independently of the conservatives who will lose by them. They believe that such reforms as are carried out by the capitalists and their governments, beneficent, radical, and even stupendous as they may be, will not and cannot constitute the first or smallest step towards industrial democracy.

Mr. Roosevelt's views are identical on this point with those of Mr. Woodrow Wilson and other progressive leaders of the opposite party. Mayor Gaynor of New York, for example, was quoted explaining the great changes that took place in the fall elections of 1910 on these grounds: "We are emerging from an evil case. The flocking of nearly all the business men, owners of property, and even persons with $100 in the savings bank, to one party made a division line and created a contrast which must have led to trouble if much longer continued. The intelligence of the country is asserting itself, and business men and property owners will again divide themselves normally between the parties, as formerly." Here again is the fundamental antithesis to the Socialist view. Leaving aside for the moment the situation of persons with $100 in the savings bank, or owners of property in general (who might possess nothing more than a small home), Socialists are working, with considerable success, towards the day when at least one great party will take a position so radical that the overwhelming majority of business men (or at least the representatives of by far the larger part of business and capital) will be forced automatically into the opposite organization.

Without this militant attitude Socialists believe that even the most radical reforms, not excepting those that sincerely propose equal opportunity or the abolition of social classes *as their ultimate aim*, must fail to carry society forward a single step in that direction. Take, as an example, Dr. Lyman Abbott, whose advanced views I have already referred to (see Part I, Chap. III). Notwithstanding his advocacy of industrial democracy, his attack on the autocracy of capitalism and the wages system, and his insistence that the distinction between non-possessing and possessing classes must be abolished, Dr. Abbott opposes a class struggle. Such phrases amount to nothing from the Socialist standpoint, if all of these objects are held up merely as an ideal, and if nothing is said of the rate at which they ought to be attained or the means by which the *opposition* of privileged classes is to be overcome. No indorsement of any so-called Socialist theory or reform is of practical moment unless it includes that theory which has survived out of the struggles of the movement, and has been tested by hard experience — a theory in which ways and means are not the last but the first consideration, — namely, the class struggle.

Mr. Roosevelt and nearly all other popular leaders of the day denounce "special privilege." But the denouncers of special privilege, aside from the organized Socialists, are only too glad to associate themselves with one or another of the classes that at present possess the economic and political power. To the Socialists the only way to fight special privilege is *to place the control of society in the hands of a non-privileged majority. The practical experience of the movement* has taught the truth of what some of its early exponents saw at the outset, that a majority *composed even in part* of the privileged classes could never be trusted or expected to abolish privileges. Neither Dr. Abbott, Mr. Roosevelt, nor other opponents of the Socialist movement, are ready to indorse this practical working theory. For its essence being that all those who by their economic expressions or their acts stand for anything less than equality of opportunity should be removed from positions of power, it is directed against every anti-Socialist. Dr. Abbott, for example, demands only "opportunity," instead of equal opportunity, and Mr. Roosevelt wishes merely "to start all men in the race for life on a *reasonable* equality." (My italics.) (5)

Let us see what Marx and his successors say in explanation of their belief that the "class struggle" must be fought out to an end. Certainly they do not mean that each individual capitalist is to be regarded by his working people as their private enemy. Nor, on the other hand, can the expression "class struggle" be interpreted, as some Socialists have asserted, to mean that there was no flesh and blood enemy to be attacked, but only "the capitalist system." To Marx capitalism was embodied not merely in institutions, which embrace all classes and individuals alike, but also in the persons of the capitalist class. And by waging a war against that class he meant to include each and every member of it who remained in his class, and every one of its supporters. To Marx the enemy was no abstraction. It was, as he said, "the person, the living individual" that had to be contended with, but only as the embodiment of a class. "It is not sufficient," he said, "to fight the general conditions and the higher powers. The press must make up its mind to oppose *this* constable, *this* attorney, *this* councilor." (6) These individuals, moreover, he viewed not merely as the servants or representatives of a system, but as part and parcel of a class.

The struggle that Marx had in mind might be called *a latent civil war*. It was not a mere preparation for revolution, since it was as real and serious in times of peace as in those of revolution or civil war. But it was a civil war in everything except the actual physical fighting, and he was always ready to proceed to actual fighting when necessary. Throughout his life Marx was a revolutionist. And when his successors to-day speak of "the class struggle," they mean a conflict of that depth and intensity that it may lead to revolution.

None of the classical Socialist writers, however, has failed to grasp the absolute necessity to a successful social movement, and especially to a revolutionary one, of making the class struggle broad, inclusive, and democratic. In 1851 Marx wrote to the Socialists: "The forces opposed to you have all the advantages of organization, discipline, and habitual authority; unless you bring *strong odds* against them you are defeated and ruined." (The italics are mine.)

Edward Bernstein, while representing as a rule only the ultra-moderate element of the Party, expresses on this question the views of the majority as well. "Social Democracy," he says, "cannot further its work better than by taking its stand unreservedly on the theory of democracy." And he adds that in practice it has always favored coöperation with all the exploited, even if "its literary advocates have often acted otherwise, and still often do so to-day."

Not many years ago, it is true, there was still a great deal of talk in Germany about the desirability of a "dictatorship of the proletariat," the term "proletariat" being used in its narrow sense. That is, as soon as the working class (in this sense) became a political majority, it was to make the government embody its will without reference to other classes — it being assumed that the manual laborers will only demand justice for all men alike, and that it was neither safe nor necessary to consult any of the middle classes. And even to-day in France much is said by the "syndicalists" and others as to the power of well-organized and determined minorities in the time of revolution — it being assumed, again, that such minorities will be successful only in so far as they stand for a new social principle, to the ultimate interest of all (see Chapter V). It cannot be questioned that in these schemes the majority is not to be consulted. But they

are far less widely prevalent than they were a generation ago.

The pioneer of "reformist" Socialism in Germany (Bernstein) correctly defines democracy, not as the rule of the majority, but as "an absence of class government." "This negative definition has," he says, "the advantage that it gives less room than the phrase 'government by the people' to the idea of oppression of the individual by the majority, which is absolutely repugnant to the modern mind. To-day we find the oppression of the minority by the majority 'undemocratic,' although it was originally held up to be quite consistent with government by the people. . . . Democracy is in *principle* the suppression of class government, though it is not yet the *actual* suppression of classes." (7)

Democracy, as we have hitherto known it, opposes class *government*, but countenances the existence of classes. Socialism insists that as long as social classes exist, class government will continue. The aim of Socialism, "the end of class struggles and class rule," is not only democratic, but the only means of giving democracy any real meaning.

"It is only the proletariat" (wage earners), writes Kautsky, "that has created a great social ideal, the consummation of which will leave only one source of income, *i.e.* labor, will abolish rent and profit, will put an end to class and other conflicts, and put in the place of the class struggle the solidarity of man. This is the final aim and goal of the class struggle by the Socialist Party. The political representatives of the class interests of the proletariat thus become representative of the highest and most general interests of humanity." (8)

It is expected that nearly all social classes, though separated into several groups to-day, will ultimately be thrown together by economic evolution and common interests into two large groups, the capitalists and their allies on the one side, and the anti-capitalists on the other. The final and complete victory of the latter, it is believed, can alone put an end to this great conflict. But in the meanwhile, even before our capitalist society is overthrown and class divisions ended, the very fusing together of the several classes that compose the anti-capitalist party is bringing about a degree of social harmony not seen before.

Already the Socialists have succeeded in this way in harmonizing a large number of conflicting class interests. The skilled workingmen were united for the first time with the

unskilled when the latter, having been either ignored or subordinated in the early trade unions, were admitted on equal terms into the Socialist parties. Then the often extremely discontented salaried and professional men of small incomes, having been won by Socialist philosophy, laid aside their sense of superiority to the wage earners and were absorbed in large numbers. Later, many agricultural laborers and even agriculturists who did all their own work, and whose small capital brought them no return, began to conquer their suspicion of the city wage workers. And, finally, many of those small business men and independent farmers, the *larger part* of whose income is to be set down as the direct result of their own labor and not a result of their ownership of a small capital, or who feel that they are being reduced to such a condition, are commencing in many instances to look upon themselves as non-capitalists rather than capitalists — and to work for equality of opportunity through the Socialist movement.

The process of building up a truly democratic society has two parts: first, the organization and union in a single movement of all classes that stand for the abolition of classes, and class rule; and second, the overthrow of those social elements that stand in the way of this natural evolution, their destruction and dissolution *as classes*, and the absorption of their members by the new society as individuals.

It becomes of the utmost importance in such a vast struggle, on the one hand, that no classes that are needed in the new society shall be marked for destruction, and on the other that the movement shall not lean too heavily or exclusively on classes which have very little or too little constructive or combative power. What, then, is the leading principle by which the two groups are to be made up and distinguished? Neither the term "capitalist classes" nor the term "working classes" is entirely clear or entirely satisfactory.

Mr. Roosevelt, for example, gives the common impression when he accuses the Socialists of using the term "working class" in the narrow sense and of taking the position that "all wealth is produced by manual workers, that the entire product of labor should be handed over to the laborer." (9) I shall show that Socialist writers and speakers, even when they use the expression "working class," almost universally include others than the manual laborers among those they expect to make up the anti-capitalistic movement.

Kautsky's definition of the working class, for example, is: "Workers who are divorced from their power of production to the extent that they can produce nothing by their own efforts, and are therefore compelled in order to escape starvation to sell the only commodity they possess — their labor power." In present-day society, especially in a rich country like America, it is as a rule not sheer "starvation" that drives, but needs of other kinds that are almost as compelling. But the point I am concerned with now is that this definition, widely accepted by Socialists, draws no line whatever between manual and intellectual workers. In another place Kautsky refers to the industrial working class as being the recruiting ground for Socialism, which might seem to be giving a preferred position to manual workers; but a few paragraphs below he again qualifies his statement by adding that "to the working class there belong, just as much as the wage earners, the members of the new middle class," which I shall describe below. (10)

In other statements of their position, it is the context which makes the Socialist meaning clear. The party Platform of Canada, for instance, uses throughout the simple term "working class," without any explanation, but it speaks of the struggle as taking place against the "capitalists," and as it mentions no other classes, the reader is left to divide all society between these two, which would evidently make it necessary to classify many besides mere manual wage earners rather among the anti-capitalist than among the capitalist forces.

The platform of the American Socialist Party in 1904 divided the population between the "capitalists," and the "working or *producing class.*" "Between these two classes," says this platform, "there can be no possible compromise . . . except in the conscious and complete triumph of the working class as the only class that has the right or *power* to be."

"By working people," said Liebknecht, "we do not understand merely the manual workers, but *every one who does not live on the labor of another.*" His words should be memorized by all those who wish to understand the first principles of Socialism:—

"Some maintain, it is true, that the wage-earning proletariat is the only really revolutionary class, that it alone forms the Socialist army, and that we ought to regard with suspicion all adherents belonging to other classes or other conditions of life. Fortunately

these senseless ideas have never taken hold of the German Social Democracy.

"The wage-earning class is most directly affected by capitalist exploitation; it stands face to face with those who exploit it, and it has the especial advantage of being concentrated in the factories and yards, so that it is naturally led to think things out more energetically and finds itself automatically organized into 'battalions of workers.' This state of things gives it a revolutionary character which no other part of society has to the same degree. We must recognize this frankly.

"Every wage earner is either a Socialist already, or he is on the high road to becoming one.

"We must not limit our conception of the term 'working class' too narrowly. As we have explained in speeches, tracts, and articles, we include in the working class all those who live exclusively *or principally* by means of their own labor, and who do not grow rich from the work of others.

"Thus, besides the wage earners, we should include in the working class the small farmers and small shop keepers, who tend more and more to drop to the level of the proletariat — in other words, all those who suffer from our present system of production on a large scale." (My italics.)

The chief questions now confronting the Socialists are all connected, directly or indirectly, with these producing middle classes, who, on the whole, do not live on the labor of others and suffer from the present system, yet often enjoy some modest social privilege.

While Liebknecht considered that the wage-earning class was more revolutionary and Socialistic than any other, he did not allow this for one moment to persuade him to give a subordinate position to other classes in the movement, as he says: —

"The unhappy situation of the small farmers almost all over Germany is as well known as that of the artisan movement. It is true that both small farmers and small shopkeepers are still in the camp of our adversaries, but only because they do not understand the profound causes that underlie their deplorable condition; it is of prime importance for our party to enlighten them and bring them over to our side. *This is the vital question for our party, because these two classes form the majority of the nation.* . . . We ought not to ask, 'Are you a wage earner?' but, 'Are you a Socialist?'

"If it is limited to the wage earners, Socialism cannot conquer. If it included all the workers and the moral and intellectual élite of the nation, its victory is certain. . . . Not to contract, but to expand, ought to be our motto. The circle of Socialism should

widen more and more, *until we have converted most of our adversaries to being our friends*, or at least disarm their opposition.

"And the indifferent mass, that in peaceful days has no weight in the political balance, but becomes the decisive force in times of agitation, ought to be so fully enlightened as to the aims and the essential ideas of our party, that it would cease to fear us and can be no longer used as a weapon against us." (11) (My italics.)

Karl Kautsky, though he takes a less broad view, also says that the Socialist Party is "the only anti-capitalist party," (12) and contends in his recent pamphlet, "The Road to Power," that its recruiting ground in Germany includes three fourths of the nation, and probably even more, which (even in Germany) would include a considerable part of those ordinarily listed with the middle class.

Kautsky's is probably the prevailing opinion among German Socialists. Let us see how he proposes to compose a Socialist majority. Of course his first reliance is on the manual laborers, skilled and unskilled. Next come the professional classes, the salaried corporation employees, and a large part of the office workers, which together constitute what Kautsky and the other Continental Socialists call the *new* middle class. "Among these," Kautsky says, "a continually increasing sympathy for the proletariat is evident, because they have no special class interest, and owing to their professional, scientific point of view, are easiest won for our party through scientific considerations. The theoretical bankruptcy of bourgeois economics, and the theoretical superiority of Socialism, must become clear to them. Through their training, also, they must discover that the other social classes continuously strive to debase art and science. Many others are impressed by the fact of the irresistible advance of the Social Democracy. So it is that friendship for labor becomes popular among the cultured classes, until there is scarcely a parlor in which one does not stumble over one or more 'Socialists.'"

It is difficult to understand how it can be said that these classes have no special "class interest," unless it is meant that their interest is neither that of the capitalists nor precisely that of the industrial wage-earning class. And this, indeed, is Kautsky's meaning, for he seems to minimize their value to the Socialists, because *as a class* they cannot be relied upon.

"Heretofore, as long as Socialism was branded among all cultured classes as criminal or insane, capitalist elements could be brought into

the Socialist movement only by a complete break with the whole capitalist world. Whoever came into the Socialist movement at that time from the capitalist element had need of great energy, revolutionary passion, and strong proletarian convictions. It was just this element which ordinarily constituted the most radical and revolutionary wing of the Socialist movement.

"It is wholly different to-day, since Socialism has become a fad. It no longer demands any special energy, or any break with capitalist society to assume the name of Socialist. It is no wonder, then, that more and more these new Socialists remain entangled in their previous manner of thought and feeling.

"The fighting tactics of the intellectuals are at any rate wholly different from those of the proletariat. To wealth and power of arms the latter opposes its overwhelming numbers and its thorough organization. The intellectuals are an ever diminishing minority, with no class organization whatever. Their only weapon is persuasion through speaking and writing, the battle with 'intellectual weapons' and 'moral superiority,' and these 'parlor Socialists' would settle the proletarian class struggle also with these weapons. They declare themselves ready to grant the party their moral support, but only on condition that it renounces the idea of the application of force, and this not simply where force is hopeless, — there the proletariat has already renounced it, — but also in those places where it is still full of possibilities. Accordingly they seek to throw discredit on the idea of revolution, and to represent it as a useless means. They seek to separate off a social reform wing from the revolutionary proletariat, and they thereby divide and weaken the proletariat." (13)

In the last words Kautsky refers to the fact that although a large number of "intellectuals" (meaning the educated classes) have come into the Socialist Party and remain there, they constitute a separate wing of the movement. We must remember, however, that this same wing embraces, besides these "parlor Socialists," a great many trade unionists, and that it has composed a very considerable portion of the German Party, and a majority in some other countries of the Continent; and as Kautsky himself admits that they succeed in "dividing the proletariat," they cannot be very far removed politically from at least one of the divisions they are said to have created. It is impossible to attribute the kind of Socialism to which Kautsky objects to the adhesion of certain educated classes to the movement (for reasons indicated in Part II).

While many of the present spokesmen of Socialism are, like Kautsky, somewhat skeptical as to the necessity of an

alliance between the working class and this section of the middle class, others accept it without qualification. If, then, we consider at once the middle ground taken by the former group of Socialists, and the very positive and friendly attitude of the latter, it must be concluded that the Socialist movement *as a whole* is convinced that its success depends upon a fusion of at least these two elements, the wage earners and "the new middle class."

A few quotations from the well-known revolutionary Socialist, Anton Pannekoek, will show the contrast between the narrower kind of Socialism, which still survives in many quarters, and that of the majority of the movement. He discriminates even against "the new middle class," leaving nobody but the manual laborers as a fruitful soil for real Socialism.

"To be sure, in the economic sense of the term, then, the new middle class are proletarians; but they form a very special group of wage workers, a group that is so sharply divided from the *real* proletarians that they form a special class with a special position in the class struggle. . . . Immediate need does not *compel* them as it does the real proletarians to attack the capitalist system. Their position may arouse discontent, but that of the workers is unendurable. For them Socialism has many advantages, for the workers it is an *absolute* necessity." (My italics.) (14)

The phrase "absolute necessity" is unintelligible. It is comparatively rarely that need arises to the height of actual compulsion, and when it does instances are certainly just as common among clerks as they are among bricklayers.

Pannekoek introduces a variety of arguments to sustain his position. For instance, that "the higher strata among the new middle class have a definitely capitalistic character. The lower ones are more proletarian, but there is no sharp dividing line." This is true — but the high strata in every class are capitalistic. The statement applies equally well to railway conductors, to foremen, and to many classes of manual workers.

"And then, too," Pannekoek continues, "they, the new middle class, have more to fear from the displeasure of their masters, and dismissal for them is a much more serious matter. The worker stands always on the verge of starvation, and so unemployment has few terrors for him. The high-class employee, on the contrary, has comparatively an easy life, and a new position is difficult to find."

Now it is precisely the manual laborer who is most often blacklisted by the large corporations and trusts; and the brain-working employee is better able to adapt himself to some slightly different employment than is the skilled worker in any of the highly specialized trades.

"For the cause of Socialism we can count on this new middle class," says Pannekoek, "even less than on the labor unions. For one thing, they have been set over the workers, as superintendents, overseers, bosses, etc. In these capacities they are supposed to speed up the workers to get the utmost out of them."

Is it not even more common, we may ask, that one manual worker is set over another than that a brain worker is set over a manual laborer?

"They [the new middle class] are divided," writes Pannekoek, "into numberless grades and ranks arranged one above the other; they do not meet as comrades, and so cannot develop the spirit of solidarity. Each individual does not make it a matter of personal pride to improve the condition of his entire class; the important thing is rather that he personally struggles up into the next higher rank."

If we remember the more favorable hours and conditions under which the brain workers are employed, the fact that they are not so exhausted physically and that they have education, we may see that they have perhaps even greater chances "to develop their solidarity" and to understand their class interests than have the manual workers. It is true that they are more divided at the present time, but there is a tendency throughout all the highly organized industries to divide the manual laborers in the same way and to secure more work from them by a similar system of promotions.

Pannekoek accuses the brain workers of having something to lose, again forgetting that there are innumerable groups of more or less privileged manual laborers who are in the same position. And finally, he contends that their superior schooling and education is a disadvantage when compared to the lack of education of the manual laborers:—

"They have great notions of their own education and refinement, feel themselves above the masses; it naturally never occurs to them that the ideals of these masses may be scientifically correct and that the 'science' of their professors may be false. As theorizers seeing the world always with their minds, knowing little or nothing of material activities, they are fairly convinced that mind controls the world."

On the contrary, nearly all influential Socialist thinkers agree that present-day science, *poorly as it is taught*, is not only an aid to Socialism, but the very best basis for it.

Pannekoek is right, for instance, when he says that most of the brain workers in the Socialist movement come from the circles of the small capitalists and bring an anti-Socialist prejudice with them, but he forgets that, on the other side, the overwhelming majority of the world's working people are the children of farmers, peasants, or of absolutely unskilled and illiterate workers, whose views of life were even more prejudiced and whose minds were perhaps even more filled up with the ideas that the ruling classes have placed there.

The arguments of the American Socialist, Thomas Sladden, representing as they do the views of *many thousands of revolutionary workingmen in this country*, are also worthy of note. His bitterness, it will be seen, is leveled less against capitalism itself than against what he considers to be intrusion of certain middle-class elements into Socialist ranks.

"We find in the United States to-day," writes Sladden, "that we have created several new religions, one of the most interesting of which is called Socialism, and is the religion of a decadent middle class. This fake Socialism or middle-class religion can readily be distinguished from the real Socialist movement, which is simply the wage working class in revolt on both the industrial and political fields against present conditions. . . . Yesterday I was a bad capitalist — to-day I am a good Socialist, but I pay my wage slaves the same wages to-day as I did yesterday. . . . They never take the answer of Bernard Shaw, who, when asked by a capitalist what he could do, saying that he could not help being a capitalist, was answered in this manner: You can go and crack rock if you want to; no one forces you to be a capitalist, but you are a capitalist because you want to be. No one forces Hillquit to be a lawyer; he could get a job in a lumber yard. There is no more excuse for a man being a capitalist or a lawyer than there is for him being a Pinkerton detective. He is either by his own free will and accord. The system, — they acclaim in one breath, — the system makes us do what we do not wish to do. The system does nothing of the kind; the system gives a man the choice between honest labor and dishonest labor skinning, and a labor skinner is a labor skinner because he wishes to be, just the same as some men are pickpockets because they wish to be."

It can readily be realized that such arguments will always have great weight with the embittered elements of the working class. Nor do the most representative Socialists altogether disagree with Sladden. They, too, feel that if the war is not levied against individuals, neither is it levied against a mere abstract system, but against a ruling class. However, they make exceptions for such capitalists as the late Paul Singer, who definitely abandon their class and throw in their lot with the Socialist movement, while Sladden would admit neither Singer, nor those other millions mentioned by Liebknecht (see above), for he demands that the Socialist Party must declare that "no one not eligible to the labor unions of the United States is eligible to the Socialist Party."

The high-water mark of this brand of revolutionism was reached in the State of Washington, when these revolu-

tionary elements in the Socialist Party withdrew to form a new workingmen's party, the chief novelty of which was a plank dividing the organization into "an active list and an assistant list, only wage workers being admitted to the active list." The wage workers were defined as the class of modern wage laborers who, having no means of production of their own, are reduced to selling their labor power in order to live. These are the active list, and they alone hold office and vote. "The assistant list cannot hold office and cannot vote," and the Party will "do active organizing work among wage earners alone." This reminds one very much of the notorious division into active and passive citizens at the early stages of the French Revolution, which gave such a splendid opportunity to the Jacobines to organize a revolt of the passive citizens and was one of the chief causes leading up to the Reign of Terror and the Napoleonic reaction that followed. The Washington plan, however, has been a complete failure. It has had no imitators in the Socialist movement, nor is it likely to have.

On the other hand, the most influential representatives of the extreme revolutionary wing of the movement, like Hervé in France, have championed the non-wage-earning elements of the movement as fearlessly as the reformists.

"In the ranks of our party," writes Hervé, "are to be found small merchants, small employers, wretched, impoverished, educated people, small peasant proprietors, none of whom on account of occupation can enter into the general Federation of Labor, which only admits those receiving wages and salaries. These are revolutionary elements which cannot be neglected; these volunteers of the Revolution who have often a beautiful revolutionary temperament would be lost for the Revolution if our political organization was not at hand to nourish their activity. Besides, the General Federation of Labor is a somewhat heavy mass; it will become more and more heavy as it comprises the majority of the *working class which is by nature rather pacific at the bottom.*"

While there is no sufficient reason for the accusation that the Socialist movement neglects the brain workers of the salaried and professional classes, there is somewhat more solid ground, in spite of the above quoted declarations of Liebknecht and Hervé, for the accusation that it antagonizes those sections of the middle classes which are, even to a slight degree, small capitalists, as, for example, especially the farmers.

"The unimaginative person," says Mr. H. G. Wells, "who owns some little bit of property, an acre or so of freehold land, or a hundred pounds in the savings bank, will no doubt be the most tenacious passive resister to Socialist ideas; and such I fear we must reckon, together with the insensitive rich, as our irreconcilable enemies, as irremovable pillars of the present order." (15)

This view is widespread among Socialists, and is even sustained by Kautsky. "Small merchants and innkeepers," he writes, "have despaired of ever rising by their own exertions; they expect everything from above and look only to the upper classes and to the government for assistance," though they "find their customers only in laboring circles, so that their existence is absolutely dependent upon the prosperity or adversity of the laboring classes." The contradiction Kautsky finds goes even further. He says, "Servility depends upon reaction — and furnishes not only the willing supporters, but the fanatical advocates of the monarchy, the church, and the nobility." With all this they (the shopkeepers, etc.) remain democratic, since it is only through democracy that they can obtain political influence. Kautsky calls them the "reactionary democracy." (16) But if they are democratic and in part economically dependent on the laboring classes, then why should not this part cast its lot economically and politically with the working class?

Kautsky extends his criticism of the small capitalists very far and even seems in doubt concerning the owners of small investments such as savings bank deposits. "Well-meaning optimists," he says, "have seen in this a means of decentralizing capital, so that after a while, in the most peaceable manner, without any one noticing it, capital would be transformed into social property. In fact, this movement really means the transformation of all the money of the middle and lower classes, which is not used by them for immediate consumption, into money capital, and as such placing it at the disposal of the great financiers for the buying out of industrial managers, and thereby assisting in the concentration on industry in the hands of a few financiers."

The classes which have invested their capital directly or indirectly in stocks or bonds through savings banks and through insurance companies number many millions, and include the large majority of all sections of the middle class, even of its most progressive part, salaried employees, and the

professional element. It is undoubtedly true, as Kautsky says, that small investors are not obtaining any direct control over capital, and that their funds are used in the way he points out, constituting one of the striking and momentous tendencies of the time. But it does not follow that they are destined to lose such investments altogether, as the legislative reforms to protect banks may be extended to the railroads and other forms of investments. The small investors will scarcely be turned to favor capitalism by their investments, which bring in small profit and allow them nothing to say in the management of industry, but neither will the losses they sometimes suffer from this source be sufficient in themselves to convert them into allies of the working class.

As in the case of the farmers and small shopkeepers, everything here depends upon the economic and political program which the working class develops and offers in competition with the "State Socialism" of the capitalists. If it were true that the ownership of the smallest amount of property brings it about that Socialism is no longer desired, not a small minority of the population will be found aligned with the capitalists, but all the four million owners of farms, and the other millions with a thousand dollars or so invested in a building and loan association, an insurance policy or a savings bank deposit, a total numbering almost half of the occupied population. A bare majority, it is true, might still be without any stake in the community even of this modest character. But neither in the United States nor elsewhere is there any hope that a majority of the absolutely propertyless, even if it becomes a large one, will become sufficiently large within a generation, or perhaps even within a century, to enable it to overthrow the capitalists, unless it draws over to its side certain elements at least, of the middle classes, who, though weaker in some respects are better educated, better placed, and politically stronger than itself. The revolutionary spokesmen of the international Socialist movement now recognize this as clearly as do the most conservative observers.

The outcome of the great social struggle depends on the relative success of employers and employed in gaining the support of those classes which, either on account of their ownership of some slight property, or because they receive salaries or fees sufficiently large, must be placed in the middle class, but who cannot be classified *primarily* as small capitalists That this is the crux of the situation is recognized on all sides.

Mr. Winston Churchill, for instance, demands that everything be done to strengthen and increase numerically this middle class, composed of millions of persons whom he claims "would certainly lose by anything like a general overturn, and . . . are everywhere the strongest and the best organized millions," and his "State Socialism" is directed chiefly to that end. He believes that these millions, once become completely converted into small capitalists, would certainly prevent by an overwhelming resistance any effort on the part of the rest of the people to gain what he curiously calls, "a selfish advantage."

Mr. Churchill says that "*the masses of the people should not use the fact that they are in a majority as a means to advance their relative position in society.*" There could not be a sharper contrast between "State Socialism" and Socialism. To Socialists the whole duty of man as a social being is to persuade the masses to "use the fact that they are in a majority as a means to advance their relative position in society." Mr. Churchill seems to feel that as long as everybody shares *more or less* in the general increase of prosperity from generation to generation, and, as he says, as long as there is "an ever increasing volume of production and an increasing wide diffusion of profit," there is no ground for complaint — whether the relative division of wealth and opportunity between the many and the few becomes more equal or not. But he realizes that his moral suasion is not likely to be heeded and is wise in putting his trust in the middle-class millions. For these are the bone of contention between capitalism and Socialism.

While the new middle class (that is, the lower salaried classes, corporation employees, professional men, etc.) is increasing numerically more rapidly than any other, large numbers within it are being deprived of any hope of rising into the wealthy or privileged class. As a consequence they are everywhere crowding into the Socialist ranks — by the hundred thousand in countries where the movement is oldest. Even in the organized Socialist parties these middle-class elements everywhere form a considerable proportion of the whole. Practically a third of the American Party according to a recent reckoning were engaged either in farming (15 per cent) or in commercial (9 per cent) or professional pursuits (5 per cent).

It is plain that certain sections of the so-called middle class

are not only welcomed by Socialist parties, but constitute their most dependable and indispensable elements. Indeed, the majority of the Socialists agree with Kautsky that the danger lies in the opposite direction, that an unreliable small capitalist element has been admitted that will make trouble until it leaves the movement, in other words, that Socialist friendship for these classes has gone to the point of risking the existence of their organization. Surely their presence is a guarantee that Socialists have not been ruled by the working class or proletarian "fetish," against which Marx warned them more than half a century ago.

CHAPTER II

THE AGRICULTURAL CLASSES AND THE LAND QUESTION

I HAVE pointed out the relation of the Socialist movement to all classes but one, — the agriculturists, — a class numerically next in importance to the industrial wage earners.

On the one hand most agriculturists are small capitalists, who, even when they do not own their farms, are often forced to-day to invest a considerable sum in farm animals and machinery, in rent and interest and in wages at the harvest season; on the other hand, a large part of the farmers work harder and receive less for their work than skilled laborers, while the amount they own, especially when tenants, scarcely exceeds what it has cost many skilled workers to learn their trade. Are the great majority of farmers, then, rather small capitalists or laborers?

For many years Socialists paid comparatively little attention to the problem. How was it then imagined that a political program could obtain the support of the majority of the voters without presenting to the agricultural population as satisfactory a solution of their difficulties as that it offered to the people of the towns? On the other hand, how was it possible to adapt a program frankly "formulated by or for the workingmen of large-scale industry" to the conditions of agriculture?

The estimate of the rural population that has hitherto prevailed among the Socialists of most countries may be seen from the following language of Kautsky's:—

"We have already seen how the peasant's production [that of the small farmer] isolates men. The capitalists' means of production and the modern State, to be sure, have a powerful tendency to put an end to the isolation of the peasant through taxation, military service, railways, and newspapers. But the increase of the points of contact between town and country as a rule only have the effect that the peasant farmer feels his desolation and isolation less keenly. They raise him up as a peasant farmer, but awake in him a longing for the town; they drive all the most energetic and

independently thinking elements from the country into the towns, and rob the former of its forces. So that the progress of modern economic life has the effect of increasing the desolation and lonesomeness of the country rather than ending it.

"The truth is that in every country the agricultural population is economically and politically the most backward. That does not imply any reflection on it; it is its misfortune, but it is a fact with which one must deal." (1)

Not only Kautsky and Vandervelde, but whole Socialist parties like those of Austria and Germany, are given to the exploitation of the supposed opposition between town and country, the producer and the consumer of agricultural products. At the German Socialist Congress of 1911, Bebel declared that to-day those who were most in need of protection were the consumers of agricultural products, the workingmen, lower middle classes and employees. He felt the day was approaching when the increased cost of living would form the chief question before the German people, the day when the German people would raise a storm and tear down the tariffs on the necessaries of life as well as other measures that unduly favor the agriculturists — while the proposal of socialization would come up first in the field of agriculture.

While, in view of the actual level of prices in Germany, there is no doubt that even the smallest of the agriculturists are getting some share of the spoils of the tariffs and other measures Bebel mentions, there can also be little question that in such a storm of revolt as he predicts the pendulum would swing too far the other way, and they would suffer unjustly. It is true that the agriculturist produces bread, while the city worker consumes it, but so also do shoe workers produce shoes that are consumed by garment workers, and certainly no Socialist predicts any lasting struggle between producers of shoes and producers of clothing. It is true also that if the wage earner's condition is to be improved, some limit must be set to prices as wages are raised. But the flour manufacturer and the baker must be restrained as well as the grain producer. Nor do Socialists expect to accomplish much by the mere regulation of prices. And when it comes to their remedy, socialization, there is less reason, as I shall show, for beginning with land rent than with industrial capital, and the Socialist parties of France and America recognize this fact.

But it is the practical result of this supposed opposition of town and country rather than its inconsistency with Socialist principles that must hold our attention. Certainly no agricultural program and no appeal to the agricultural population, perhaps not even one addressed to agricultural laborers, can hope for success while this view of the opposition of town and country is maintained; for all agriculturists want what they consider to be reasonable prices for their products, and their whole life depends directly or indirectly on these prices. When the workmen agitate, as they so often do in Europe, for cheap bread and meat, without qualifying their agitation by any regard for the agriculturists, all hope of obtaining the support of *any* of the agricultural classes, even laborers, is for the time being abandoned.

The predominance of town over country is so important to Kautsky that he even opposes such a vital piece of democratic reform as direct legislation where the town-country population is the more numerous than that of the towns. "We have seen" he says, "that the modern representative system is not very favorable to the peasantry or to the small capitalists, especially of the country towns. The classes which the representative system most favors are the large owners of capital or land, the highly educated, and under a democratic electoral system, the militant and class-conscious part of the industrial working class. So in general one can say parliamentarism favors the population of the large towns as against that of the country."

Far from being disturbed at this unjust and unequal system, Kautsky prefers that it should *not* be reformed, unless the town population are in a majority. "Direct legislation by the people works against these tendencies of parliamentarism. If the latter strives to place the political balance of power in the population of the large towns, the former puts it in the masses of the population, but these still live everywhere and for the most part in a large majority, with the exception of England, in the country and in the small country towns. Direct legislation takes away from the population of the large towns their special political influence, and subjects them to the country population." (2)

He concludes that wherever and as long as the agricultural population remains in a majority, the Socialists have no special reason to work for direct legislation.

Of course Kautsky and his school do not expect this sepa-

ration or antagonism of agriculture and industry to last very far into the future. But as long as capitalism lasts they believe agriculturists will play an entirely subordinate rôle in politics. "While the capitalist mode of production increases visibly the difficulties of the formation of a revolutionary class (in the country), it favors it in the towns," he says. "It there concentrates the laboring masses, creates conditions favorable to every organization for their mental evolution and for their class struggle. . . . It debilitates the country, disperses the agricultural workers over vast areas, isolates them, robs them of all means of mental development and resistance to exploitation." (3)

Similarly Vandervelde quotes from Voltaire's essay on customs a sentence describing the European peasantry of a hundred and fifty years ago as "savages living in cabins with their females and a few animals," and asks, "who would dare to pretend that these words have lost all their reality?" He admits that "rural barbarism has decreased," but still considers the peasantry, not as a class which must take an active part in bringing about Socialism, but as one to which "conquering Socialism will bring political liberty and social equality." (4)

Kautsky says that either the small farmer is not really independent, and pieces out his income by hiring himself out occasionally to some larger landowner or other employer, or else, if entirely occupied with his own work, that he manages to compete with large-scale cultivation only "by overwork and underconsumption, by barbarism, as Marx says."

"To-day the situation of the city proletariat," Kautsky adds, "is already so superior to the barbaric situation of the older peasants, that the younger peasants' generation is leaving the fields along with the class of rural wage earners." There can be no question that small farms, those without permanent hired labor, survive competition with the larger and better equipped, only by overwork and underconsumption. But the unfavorable comparison with city wage earners and the repetition to-day of Marx's term "barbarism" is no longer justified. Where these conditions still exist, they are due largely to special legal obstacles placed in the way of European peasants, and to legal privileges given to the great landlords,—in other words, to remnants of feudalism. Kautsky's error in making this as a statement of general application would seem to be based on a confusion

of the survivals of feudalism, as seen in some parts of Europe, with the necessary conditions of agricultural production, as seen in this country.

Kautsky himself has lately given full recognition to another factor in the agricultural situation — the horrors of wage slavery, which acts in the very opposite manner to these feudal conditions and *prevents* both small agriculturists and agricultural laborers from immigrating to the towns in greater numbers than they do, and persuades them in spite of its drudgery to prefer the life of the owner of a small farm.

"Since labor in large-scale industry takes to-day the repulsive form of wage labor," he says, "many owners of small properties keep holding on to them with the greatest sacrifices, for the sole purpose of avoiding falling into the serfdom and insecurity of wage labor. Only Socialism can put an end to small production, not of course by the forceful ejection of small owners, but by giving them an opportunity to work for the perfected large establishments with a shortened working day and a larger income." (5) Surely there is little ground to lay special stress on the "barbarism" of small farms, if such a large proportion of farmers and agricultural laborers prefer it on good grounds to "the serfdom and insecurity" of labor on large farms or in manufacturing establishments.

It is doubtless chiefly because European conditions are such as to make the conversion of the majority of agriculturists difficult, that so many European Socialists claim that an existing or prospective preponderance of manufacturers makes it unnecessary. But, while in many countries of Europe the remnants of feudalism, or rather of eighteenth-century absolutism and landlord rule, to which this backward political condition is largely due, have not only survived, but have been modernized, through the protection extended to large estates, so as to become a part and parcel of modern capitalism, this condition does not promise to be at all lasting. There are already signs of change in the agricultural sections of Bohemia, Hungary, and Italy, while in France, where the political influence of the large landlord class is rapidly on the decline, the Socialists have appealed successfully, under certain conditions, not only to agricultural laborers, but also to small independent farmers.

As Socialists come to take a world view, giving due prominence to countries like France and the United States, where

agriculture has had its freest development, they grow away from the older standpoint and give more attention to the rural population. The rapid technical evolution of agriculture and the equally rapid changes in the ownership of land in a country like the United States have encouraged our Socialists to reëxamine the whole question. I cannot enter into a discussion, even the most cursory, of agricultural evolution in this country, but a few indications from the census of 1910 will show the general tendencies.

Farm owners and tenants probably now have $45,000,000,000 in property (1910), fully a third of the national wealth, and with 6,340,000 farms they are just about a third of our population. This calculation does not allow for interest (where farmers have borrowed) or rent (where they are tenants); on the other hand, it does not allow for the fact that many farmers have bank accounts and outside investments. But it indicates the prosperity of a large part of the farming class.

The value of the land of the average farm has doubled since 1900 ($2271 in 1900 — $4477 in 1910) in spite of a decrease in the size of farms, while the amount spent for labor increased 80 per cent, which the statistics show was due in part to higher wages, but in larger part *to the greater amount of labor and the greater number of laborers used.* Other expenditures increased almost proportionately, and the capital employed in land, buildings, machinery, fertilizers, and labor has almost doubled in this short period. As prices advanced less than 25 per cent during the decade, all these increases were largely *real.* The gross income of the average farm owner, measured in what it could buy, evidently rose by more than 50 per cent, and his *real* net income nearly as fast. The average farm owner then was receiving a fair share of the increase of the national wealth.

But farmers cannot profitably be considered as a single class. Tenants are rarely at the same time landlords. Farmers paying interest are usually not the same as those holding mortgages. A few of the debtors may be very successful men who borrow only to buy more land and hire more labor. But very few tenants are in this class. We may safely assume that those who own without a mortgage or employ labor steadily with one are getting *more* than an average share of the national wealth, while tenants or those who have mortgaged their land heavily and do not regularly hire

labor (except at harvest) are, in the average case, getting less. Investments of borrowed money in the best machinery or farm animals by a single family working alone and on a very small scale, may give a good return above interest, but this return is strictly limited unless with most exceptional or most fortunate persons.

Now the statistics of the increase of agricultural *wages* show that they rose in no such proportion as the increase of agricultural capital — and the possibility of a farm hand saving his wages and becoming the owner of one of these more and more costly farms is more remote than ever. But there is a third solution — the agricultural laborer may neither remain a laborer nor become an owner. If he can accumulate enough capital for machinery, horses, farm animals, and seed, he can pay for the use of the land from his annual product, he can become a tenant. On the other side, if the value of the usual 160-acre homestead rises to $20,000 or $30,000, the owner is easily able to make a few thousand dollars in addition by selling his farm animals and machinery and to retire to the country town and live on his rent.

It is evident that the position of most of these farm tenants is very close to that of laborers. Though working on their own account, it is so difficult for them to make a living that they are forced to the longest hours and to the exploitation of their wives and children under all possible and impossible circumstances. Already farm tenants are almost as numerous in this country as farm owners. The census figures indicated that the proportion of tenants had risen from 23 per cent in 1880 to 37 per cent in 1910. Not only this, but a closer inspection of the figures by States will show that, whereas in new States like Minnesota, where tenancy has not had time to develop, it embraced in 1900 less than 20 per cent of the total number of farms, in many older States the percentage had already risen high above 40. This increase of tenants proves an approach of the United States to the fundamental economic condition of older countries — the divorce of land cultivation from land ownership, and the census of 1910 shows that three eighths of the farms of the United States are already in that condition.

Land and hired labor are the chief sources of agricultural wealth, and capital is most productive only when it is invested in these as well as other means of production. That is, if the small farmer is really a small capitalist, if he is to receive a

return from his capital as well as his own individual and that of his family labor, he must, as a rule, either have enough capital to provide work for others and his family, or he must get a share of the unearned increment through the ownership of his farm, or long leases without revaluation. Farm tenants who do not habitually employ labor, or those whose mortgages are so heavy as practically to place them in the position of such tenants, are, for these reasons, undoubtedly accessible to Socialist ideas — *as long as they remain farm tenants.*

But now after discarding all the European prejudices above referred to, let us look at the other side. Tenants everywhere belong to those classes which, as Kautsky truly says, in the passage quoted in a previous chapter, are also a recruiting ground for the capitalists. They are more likely to be the owners of the capital, now a considerable sum, needed to *operate* a small farm (cattle, machinery, etc.) than are farm laborers, and it is for their benefit chiefly that the various governmental plans for creating new small farms through irrigation, reclamation, and the division of large estates are contrived. And it is even possible that practically all the present tenants may some day be provided for.

By maintaining or creating small farms then, or providing for a system of long leases and small-sized allotments of governmentally owned land, guaranteed against any raise in rents during the term of the lease, capitalist governments may gradually succeed in firmly attaching the larger part of the struggling small farmers and farm tenants to capitalism. While still in the individualistic form capitalism will establish, wherever it can, privately owned small farms; when it will have adopted the collectivist policy, it will inaugurate a system of national ownership and long leases.

Even the small farmer who hires no labor, and does not even own his farm, will probably be held, as a class, by capitalism, but only by the collectivist capitalism of the future, which will probably protect him from landlordism by keeping the title to the land, but dividing the unearned increment with him by a system of long leases, and using its share of this increment for the promotion of agriculture and for other purposes he approves.

Socialists, then, do not expect to include in their ranks in considerable numbers, either agricultural employers or such tenants, laborers, or farm owners as are becoming, or believe

they will become, employers (either under present governments or under collectivist capitalism).

Only when the day finally comes when Socialism begins to exert a pressure on the government adversely to the interest of the capitalist class will higher wages and new governmental expenditures on wage earners begin to reverse conditions automatically, making labor dearer, small farms which employ labor less profitable, and a lease of government land less desirable, for example, than the position of a skilled employee on a model government farm. All governments will then be forced by the farming population itself to lend more and more support to the Socialist policy of great national municipal or county farms, rather than to the artificial promotion or small-scale agriculture.

For the present and the near future the only lasting support Socialists can find in the country is from *the surplus* of agricultural laborers and perhaps *a certain part* of the tenants, *i.e.* those who cannot be provided for even if all large estates are everywhere divided into small farms, all practicable works of reclamation and irrigation completed, and scientific methods introduced — and who will find no satisfactory opportunity in neighboring countries. It must be acknowledged that such tenants at present form no very large part of the agricultural population in the United States. On the other hand, agriculturists are even less backward here than in Europe, and there is less opposition between town and country, and both these facts favor rural Socialism.

If, however, the majority of farmers must remain inaccessible to Socialism until the great change is at hand, this is not because they are getting an undue share of the national wealth or because they are private property fanatics, or because agriculturists are economically and politically backward, or because they are hostile to labor, though all this is true of many, but because of all classes, they are the most easily capable of being converted into (or perpetuated as) small capitalists by the reforms of the capitalist statesman in search of reliable and numerically important political support.

I have shown the attitude of the Socialists towards each of the agricultural classes — their belief that they will be able to attach to themselves the agricultural laborers and those tenants and independent farmers who are neither landlords nor steady employers, nor expect to become such. But what

now is the attitude of laborers, tenants, etc., towards Socialism, and what program do the Socialists offer to attract them? Let us first consider a few general reforms on which all Socialists would agree and which would be acceptable to all classes of agriculturists. Socialists differ upon certain *fundamental* alterations in their program which have been proposed in order to adapt it to agriculture. Aside from these, all Socialist parties wish to do everything that is possible to attract agriculturists. They favor such measures as the nationalization of forests, irrigation, state fire insurance, the nationalization of transportation, the extension of free education and especially of free agricultural education, the organization of free medical assistance, graduated income and inheritance taxes, and the decrease of military expenditures, etc. It will be seen that all these reforms are such as might be, and often are, adopted by parties which have nothing to do with Socialism. Community ownership of forests and national subsidies for roads are urged by so conservative a body as Mr. Roosevelt's Commission on Country Life. They are all typical "State Socialist" (*i.e.* State capitalist) measures, justifiable and indispensable, but not intimately related with the program of *Socialism*. The indorsement of such measures might indeed assure the Socialists the friendly coöperation of political factions representing the agriculturists, but it could scarcely secure for them the same partisan support in the country as they have obtained from the workingmen of the towns.

Besides such legislative reforms as the above, the Socialists generally favor legislative encouragement for every form of agricultural coöperation. Kautsky says that coöperative associations limited to purchase or sale, or for financing purposes, have no special connection with Socialism, but favors *productive* coöperation, and in France this is one of the chief measures advocated by the most ardent of the Socialist agriculturist agitators, Compère-Morel, who was elected to the Chamber of Deputies from an agricultural district. Compère-Morel notes that the above-mentioned governmental measures of the State Socialistic variety are likely to be introduced by reformers who have no sympathy either with Socialism or with labor unions, and *as a counterweight* he lays a great emphasis on coöperative organizations for production, which could work with the labor unions and their coöperative stores and also with Socialist municipalities.

In France and elsewhere there is already a strong movement to municipalize the milk supply, the municipalization of slaughterhouses is far advanced, and municipal bakeries are a probability of the near future. Such coöperative organizations, however, like the legislative proposals above mentioned, are already so widely in actual operation and are so generally supported by powerful non-Socialist organizations that Socialist support can be of comparatively little value.

There is no reason why a collectivist but capitalist democracy should not favor both associations for productive coöperation and friendly relations between these and collectivist municipalities; nor why they should fail to favor an enlightened labor policy in such cases, at least as far as the resulting increase of efficiency in the laborer justified it, *i.e.* as long as his product rises, as a result of such reforms, faster than what it costs to introduce them.

Socialists also favor the nationalization of the land, but without the expropriation of self-employing farmers, as these are felt to be more sinned against than sinning. "With the present conservative nature of our farmers, it is highly probable that a number of them would [under Socialism] continue to work in the present manner," Kautsky says. "The proletarian governmental power would have absolutely no inclination to take over such little businesses. As yet no Socialist who is to be taken seriously has ever demanded that the farmers should be expropriated, or that their goods should be confiscated. It is much more probable that each little farmer would be permitted to work on as he has previously done. The farmer has nothing to fear from a Socialist régime. Indeed, it is highly probable," he adds, "that these agricultural industries would receive considerable strengthening through the new régime."

Socialists generally agree with Mr. A. M. Simons's resolution at the last American Socialist Convention (1910): "So long as tools are used merely by individual handicraftsmen, they present no problem of ownership which the Socialist is compelled to solve. The same is true of land. Collective ownership is urged by the Socialist, not as an end in itself, not as a part of a Utopian scheme, but as the means of preventing exploitation, and wherever individual ownership is an agency of exploitation, then such ownership is opposed by Socialism." (6)

Exploitation here refers to the employment of laborers, and this is the central point of the Socialist policy. To the Socialists the land question and the labor question are one. Every agricultural policy must deal with both. If we were confronted to-day exclusively by large agricultural estates, the Socialist policy would be the same as in other industries. All agricultural capital would be nationalized or municipalized as fast as it became sufficiently highly organized to make this practicable. And as the ground rent can be taken separately, and with the least difficulty, this would be the first to go. Agricultural labor, in the meanwhile, would be organized and as the day approached when the Socialists were about to gain control of the government, and the wages of government employees began rapidly to rise, those of agricultural and all other privately employed labor would rise also, until private profits were destroyed and the process of socialization brought rapidly to completion.

But where the scale of production is so small that the farmer and his family do the work and do not habitually hire outside labor, the whole case is different. The chief exploitation here is self-exploitation. The capital owned is so small that it may be compared in value with the skilled worker's trade education, especially when we consider the small return it brings in, allowing for wages for the farmer and his family. Even though, as owner, he receives that part of the rise in the value of his land due to the general increase of population and wealth and not to his own labor (the unearned increment), his income is less than that of many skilled laborers.

Two widely different policies are for these reasons adopted by all reformers when dealing with large agricultural estates and small self-employing farmers. On this point there is little room for difference of opinion. But small farmers are not a sharply defined class. They are constantly recruited from agricultural laborers and tenants on the one hand, and are constantly becoming employing farmers on the other — or the process may take the opposite course, large farms may break up and small farmers may become laborers — for all or a part of their time. All agricultural reforms may be viewed not only in their relation to existing small farmers, but as to their effect on the increase or decrease of the relative proportions of small self-employing farmers, of employing farmers, and of agricultural laborers.

And here appears the fundamental distinction between the

Socialist program and that of collectivist capitalism as far as the small farmers are concerned. Socialists agree in wanting to aid those small farmers who are neither capitalists nor employers on a sufficient scale to classify them with those elements, but they neither wish to perpetuate the system of small farms nor to obstruct the development of the more productive large-scale farming and the normal increase of an agricultural working class ready for coöperative or governmental employment. They point to the universal law that large-scale production is more economical, and show that this applies to agriculture. Small farming strictly limits the point to which the income of the agricultural population can rise, prevents the cheapening of the production of food, and furnishes a constant stream of cheap labor composed of discontented agricultural laborers who prefer the more steady income, limited hours, and better conditions of wage earners.

"Even the most energetic champions of small farming," says Kautsky, "do not make the least attempt to show its superiority, as this would be a hopeless task. What they maintain is only the superiority of labor on one's own property to wage labor for a strange exploiter. . . . But if the large farm offers the greater possibility of lessening the work of the agricultural laborers, then it would be a betrayal of the latter to set before them as a goal, not the capture and technical development of large forms, but their break up into numerous small farms. That would mean nothing less than a willingness to perpetuate the drudgery under which the agricultural laborers and small farmers now suffer." (7)

But how shall Socialists aid small farmers without increasing the number of small farms? It might be thought that the nationalization of the land would solve the problem. The government, once become the general landlord, could use the rent fund to improve the condition of all classes of agriculturists, without unduly favoring any, agricultural evolution could take its natural course, and the most economical method of production, *i.e.* large farms or large coöperative associations, would gradually come to predominate. But the capitalist collectivists who now control or will soon control governments, far from feeling any anxiety about the persistence of small-scale farming, believe that the small farmers can be made into the most reliable props of capitalism. Accordingly collectivist reformers either promote schemes of division of large estates and favor the creation of large

masses of small owners by this and every other available means, such as irrigation or reclamation projects, or if they indorse nationalization of the land in order to get the unearned increment for their governments, they still make the leases on as small a scale and revaluations at as long intervals as possible, and so do almost as much artificially to perpetuate the small farm under this system as they could by furthering private ownership.

Although there is no necessary and immediate conflict of interest between wage earners and small farmers, it is evident that it is impossible for Socialists to offer the small farmers as much as the capitalist collectivists do, — for the latter are willing in this instance to promote, for political purposes, an uneconomic mode of production which is a burden on all society.

Here, however, appears an economic tendency that relieves the situation for the Socialist. Under private ownership or land nationalization with long leases and small-scale farms, it is only once in a generation or even less frequently that farms are subdivided. But the amount of capital and labor that can be profitably applied to a given area of land, the intensity of farming, increases very rapidly. The former self-employing farmer, everywhere encouraged by governments, soon comes to employ steadily one or more laborers. And it is notable that in every country of the world these middle-sized or moderate-sized farms are growing more rapidly than either the large-scale or the one-family farms. This has an economic and a political explanation. Though large farms have more economic advantages than small, the latter have nothing to expend for superintendence and get much more work from each person occupied. The middle-sized farms preserve these advantages and gradually come also to employ much of the most profitable machinery, that is out of reach of the small farmer. Politically their position is still stronger. They are neither rich nor few like the large landholders. Their employees are one, two, or three on each farm, and isolated.

Here, then, is the outcome of the agricultural situation that chiefly concerns the Socialist. The middle-sized farmer is a small capitalist and employer who, like the rest of his kind, will in every profound labor crisis be found with the large capitalist. His employees will outnumber him as voters and will have little hope that the government will intervene some

day to make them either proprietors or possessors of long-term leases. The capital, moreover, to run this kind of farm or to compete with it, will be greater and greater and more and more out of their agricultural laborer's reach. These employees will be Socialists.

We are now in a position to understand the divisions among the Socialists on the agricultural question. The Socialist policy as to agriculture may be divided into three periods. During the ascendency of capitalistic collectivism it will be powerless to do more than to support the collectivist reforms, including partial nationalization of the land, partial appropriation of unearned increment by national or local governments, municipal and coöperative production, and the numerous reforms already mentioned. In the second period, the approach of Socialism will hasten all these changes automatically through the rapid rise in wages, and in the third period, when the Socialists are in power, special measures will be taken still further to hasten the process until all land is gradually nationalized and all agricultural production carried on by governmental bodies or coöperative societies of actual workers.

If the Socialists gain control of any government, or if they come near enough to doing this to be able to force concessions at the cost of capital, a double effect will be produced on agriculture. The general rise in wages will destroy the profits of many farmer employers, and it will offer to the smallest self-employing farmers the possibility of an income as wage earners so much larger, and conditions so much better, than anything they can hope for as independent producers that they will cease to prefer self-employment. The high cost of labor will favor both large scale production, either capitalistic or coöperative, and national, state, county, and municipal farms. Without any but an automatic economic pressure, small-scale and middle-scale farming would tend rapidly to give place to these other higher forms, and these in turn would tend to become more and more highly organized as other industries have done, until social production became a possibility. Not only would there be no need of coercive legislative measures, but the automatic pressure would be, not that of misery or bankruptcy pressing the self-employing farmer from behind, but of a larger income and better conditions drawing the majority forward to more developed and social forms of production.

In France a considerable and increasing number of the Socialist members of Parliament are elected by the peasantry, and the same is true of Italy. In Hervé the French have developed a world-famed ultra-revolutionary who always makes his appeal to peasants as well as workers, and in Compère-Morel, one of the most able of those economists and organizers of the international movement who give the agriculturists their chief attention. The latter has recently summed up the position of the French Party in a few incisive paragraphs — which show its similarity to that of the Americans. His main idea is to let economic evolution take its course, which, in proportion as labor is effectively organized, will inevitably lead towards collective ownership and operation and so pave the way for Socialism: —

"As to small property, it is not our mission either to hasten or to precipitate its disappearance. A product of labor, quite often being merely a tool of the one who is detaining it, not only do we respect it, we do something more yet, we relieve it from taxes, usury, scandalous charges on the part of the middlemen, whose victim it is. And this will be done in order to make possible its free evolution towards superior forms of exploitation and ownership, which become more and more inevitable.

"This means that there is no necessity at all to appeal to violence, to use constraint and power in order to inaugurate in the domain of rural production, the only mode of ownership fit to utilize the new technical agricultural tools: collective ownership.

"On the other hand, a new form of ownership cannot be imposed; it is the new form of ownership which is imposing itself.

"It is in vain that they use the most powerful, the most artifical, means to develop, to multiply, and animate the private ownership of the land; the social ownership of the land will impose itself, through the force of events, on the most stubborn, on the most obstinate, of the partisans of individual ownership of the rural domain."

The French Socialists do not propose to interfere with titles of any but very large properties, or even with inheritance. Whether they have to meet government ownership and 33-year leases now being tried on a small scale in New Zealand, or whether a capitalist collectivist government allows agricultural evolution and land titles to take their natural course, they expect to corner the labor supply, and in this way ultimately to urge agriculture along in the Socialist direction. From the moment they have done this, they expect a steady tendency on the part of agriculturists to look

forward, as the workingmen have done, to the Socialist State: —

"The question arises, under a Socialist régime, will small property, the property cultivated by the owner and his family, be transmissible, allowed to be sold, or left as inheritance to the children, to the nephews, and even to very remote cousins? From the moment this property is not used as an instrument of exploitation — and in a Socialist society, *labor not being sold*, it could never become one — what do we care whether it changes hands every morning, whether it travels around through a whole family or country?"

For, since the Socialist State will furnish work for all that apply, at the best remuneration, and under the best conditions, especially as it will do this in its own agricultural enterprises, relatively few farmers will be able to pay enough to secure other workers than those of their own families.

In the United States the Party has definitely decided by a large majority, in a referendum vote, that it does not intend to try to disturb the self-employing farmer in any way in his occupation and use of the land. In a declaration adopted in 1909, when, by a referendum vote of nearly two to one, the demand for the immediate collective ownership of the land was dropped from the platform, the following paragraph was inserted: —

"There can be no absolute private title to land. All private titles, whether called fee simple or otherwise, are and must be subordinate to the public title. The Socialist Party strives to prevent land from being used for the purpose of exploitation and speculation. It demands the collective possession, control, or management of land to whatever extent may be necessary to attain that end. It is not opposed to the occupation and possession of land by those using it in a useful bona fide manner *without exploitation*." (My italics.)

Those American Socialists who have given most attention to the subject, like Mr. Simons, have long since made up their minds that there is no hope whatever either for the victory or even for the rapid development of Socialism in this country unless it takes some root among the agriculturists. Mr. Simons insists that the Socialists should array against the forces of conservatism, privilege, and exploitation, "all those whose labor assists in the production of wealth, for all these make up the army of exploited, and all are interested in the abolition of exploitation."

"In this struggle," he continues, "farmers and factory wage workers must make common cause. Any smaller combination, any division in the ranks of the workers, must render success impossible. In a country where fundamental changes of policy are secured at the ballot box, nothing can be accomplished without united action by all classes of workers. . . . The better organization of the factory workers of the cities, due to their position in the midst of a higher developed capitalism and more concentrated industry, makes them in no way independent of their rural brothers. So long as they are not numerous enough to win, they are helpless. 'A miss is as good as a mile,' and coming close to a majority avails almost nothing." (8)

Looking at the question after this from the farmers' standpoint, Mr. Simons argues that many of the latter are well aware that the ownership of a farm is nothing more than the ownership of a job, and that the capitalists who own the mortgages, railroads, elevators, meat-packing establishments, and factories which produce agricultural machinery and other needed supplies, control the lives and income of the agriculturists almost as rigidly as they do those of their own employees. Mr. Simons's views on this point also are probably those of a majority of the party.

Mr. Victor Berger does not consider that farmers belong to that class by whom and for whom Socialism has come into being. "The average farmer is not a proletarian," he says, "yet he is a producer." (9) This would seem to imply that the farmer should have Socialist consideration, though perhaps not equal consideration with the workingman. Mr. Berger's main argument apparently was that the farmers must be included in the movement, not because this is demanded by principle but because "you will never get control of the United States unless you have the farming class with you," as he said at a Socialist convention.

Thus there are three possible attitudes of Socialists towards the self-employing farmer, and all three are represented in the movement. Kautsky, Vandervelde, and many others believe that after all he is not a proletarian, and therefore should not or cannot be included in the movement. The French Socialists and many Americans believe that he is practically a proletarian and should and can be included. The "reformists" in countries where he is very numerous believe he should be included, even when (Berger) they

do not consider him as a proletarian. The Socialist movement, on the whole, now stands with Kautsky and Vandervelde, and this is undoubtedly the correct position until the Socialists are near to political supremacy. The French and American view, that the self-employing farmer is practically a wage earner, is spreading, and though this view is false and dangerous if prematurely applied (*i.e.* to-day) it will become correct in the future when collectivist capitalism has exhausted its reforms and the small farmer is becoming an employee of the highly productive government farms or a profit-sharer in coöperative associations.

At the last American Socialist Convention (1910) Mr. Simons's resolution carefully avoided the "reformist" position of trying to prop up either private property or small-scale production, by the statement that, while "no Socialist Party proposes the immediate expropriation of the farm owner who is cultivating his own farm," that, on the other hand, "it is not for the Socialist Party to guarantee the private ownership of any productive property." He remarked in the Convention that the most prominent French Marxists, Guesde and Lafargue, had approved the action of the recent French Socialist Congress, which had "guaranteed the peasant ownership of his farm," but he would not accept this action as good Socialism. Mr. Berger offered the same criticism of the French Socialists, and added that the guarantee would not be worth anything in any case, because our grandchildren would not be ruled by it.

However, there is a minority ready to compromise everything in this question. Of all American States, Oklahoma has been the one where Socialists have given the closest attention to agricultural problems. The Socialists have obtained a considerable vote in every county of this agricultural State, and with 20,000 to 25,000 votes they include a considerable proportion of the electorate. It is true that their platform, though presented at the last national convention, has not been passed upon, and may later be disapproved in several important clauses, but it is important as showing the farthest point the American movement has gone in this direction. Its most important points are :—

The retention and *constant enlargement of the public domain.*

By retaining school and other public lands.

By purchasing of arid and overflow lands and the State reclamation of all such lands now held by the State or that may be acquired by the State.

By the purchase of all lands sold for the non-payment of taxes.

Separation of the department of agriculture from the political government.

Election of all members and officers of the Board of Agriculture by the direct vote of the actual farmers.

Erection by the State of grain elevators and warehouses for the storage of farm products; these elevators and warehouses to be managed by the Board of Agriculture.

Organization by the Board of Agriculture of free agricultural education and the establishment of model farms.

Encouragement by the Board of Agriculture of coöperative societies of farmers —

For the buying of seed and fertilizers.

For the purchase and common use of implements and machinery.

For the preparing and sale of produce.

Organization by the State of loans on mortgages and warehouse certificates, the interests charges to cover cost only.

State insurance against disease of animals, diseases of plants, insect pests, hail, flood, storm, and fire.

Exemption from taxation and execution of dwellings, tools, farm animals, implements, and improvements to the amount of one thousand dollars.

A graduated tax on the value of rented land and land held for speculation.

Absentee landlords to assess their own lands, the State reserving the right to purchase such lands at their assessed value plus 10 per cent.

Land now in the possession of the State or hereafter acquired through purchase, reclamation, or tax sales to be rented to *landless* farmers under the supervision of the Board of Agriculture at the prevailing rate of share rent or its equivalent. The payment of such rent to cease as soon as the total amount of rent paid is equal to the value of the land, and the tenant thereby acquires for himself *and his children* the right of occupancy. The title to all such lands remaining with the commonwealth. (10)

I have italicized the most significant items. The preference given to landless farmers in the last paragraph shows that the party in Oklahoma does not propose to distribute its greatest favors to those who are now in possession of even the smallest amount of land. On the other hand, once the land is governmentally "owned" and speculation and landlordism (or renting) are provided against, the farmer passes "the right of occupancy" of this land on to his children. European Socialist parties, with one exception, have not gone so far as this, and it is doubtful if the American Party will sustain such a long step towards permanent private property. It may well be doubted whether the Socialist movement will favor giving to children the identical privileges their parents had, simply because they are the children of these parents, especially if these privileges had been materially increased in value during the parents' lifetime

by community effort, *i.e.* if there has been any large "unearned increment." Nor will they grant any additional right after forty years of payments or any other term, but, on the contrary, as the land rises, through the community's efforts they would undoubtedly see to it that *rent was correspondingly increased.* Socialists demand, not penalties against landlordism, but the community appropriation of rent — whether it is in the hands of the actual farmer or landlord. Why, moreover, seek to discriminate against those who are in possession *now*, and then favor those who will be in possession after the new dispensation, by giving the latter an almost permanent title? May there not be as many landless argicultural workers forty years hence as there are now? Why should those who happen to be landless in one generation instead of the next receive superior rights?

Not only Henry George, but Herbert Spencer and the present governments of Great Britain (for all but agricultural land) and Germany (in the case of cities), recognize that the element of land values due to the community effort should go to the community. The political principle that gives the community no permanent claim to ground rent and is ready to give a "right of occupancy" for two *or more* lifetimes (for nothing is said in the Oklahoma program about the land returning to the government) without any provisions for increased rentals and with no rents at all after forty years, is *reactionary* as compared with recent land reform programs elsewhere (as that of New Zealand).

Even Mr. Roosevelt's Commission on Country Life goes nearly as far as the Oklahoma Socialists when it condemns speculation in farm lands and tenancy; while Mr. Roosevelt himself has suggested as a remedy in certain instances the leasing of parts of the national domain. Indeed, the "progressive" capitalists everywhere favor either small self-employing farmers or national ownership and leases for long terms and in small allotments, and as "State Socialism" advances it will unquestionably lean towards the latter system. There is nothing Socialistic either in government encouragement either of one-family farms or in a national leasing system with long-term leases as long as the new revenue received goes for the usual "State Socialistic" purposes.

The American Party, moreover, has failed so far to come out definitely in favor of the capitalist-collectivist principle of the State appropriation of ground rent, already indorsed by Marx in 1847 and again in 1883 (see his letter about Henry George, Part I, Chapter VIII). In preparing model constitutions for New Mexico and Arizona (August, 1910), the National Executive Committee took up the question of taxation and recommended graduated income and inheritance taxes, but nothing was said about the State taking the future rise in

rents. This is not a reaction when compared to the present world status of non-Socialist land reform, for the taxation of unearned increment has not yet been extended to agricultural land in use, but it is decidedly a reaction when compared with the Socialists' own position in the past.

In a semiagricultural country like the United States it is natural that "State Socialism" should influence the Socialist Party in its treatment of the land question more than in any other direction, and this influence is, perhaps, the gravest danger that threatens the party at the present writing.

By far the most important popular organ of Socialism in this country is the *Appeal to Reason* of Girard, Kansas, which now circulates nearly half a million copies weekly — a large part of which go into rural communities. The *Appeal* endeavors, with some success, to reflect the views of the average party member, without supporting any faction. As Mr. Debs is one of its editors, it may be understood that it stands fundamentally against the compromise of any essential Socialist principle. And yet the exigencies of a successful propaganda among small landowners or tenants who either want to become landowners or to secure a lease that would amount to almost the same thing, is such as to drive the *Appeal* into a position, not only as to the land question, but also to other questions, that has in it many elements of "State Socialism."

A special propaganda edition (January 27, 1902) is typical. Along with many revolutionary declarations, such as that Socialism aims not only at the socialization of the means of production, but also at the socialization of *power*, we find others that would be accepted by any capitalist "State Socialist." Government activities as to schools and roads are mentioned as examples of socialization, while that part of the land still in the hands of our present capitalist government is referred to as being socialized. The use of vacant and unused lands (with "a fair return" for this use) by city, township, and county officials in order to raise and sell products and furnish employment, as was done by the late Mayor Pingree in Detroit, and even the public ownership of freight and passenger automobiles, are spoken of as "purely Socialist propositions." And, finally, the laws of Oklahoma are said to permit socialization without a national victory of the Socialists, though they provide merely that a municipality may engage in any legitimate business enterprise, and could easily be circumscribed by state constitutional provisions or by federal courts if real Socialists were about to gain control of municipalities and State legislature. For such Socialists would not be satisfied merely to demand the abolition of private landlordism and unemployment as the *Appeal* does in this instance, since both of these "institutions" are already marked for destruction by "State capitalism," but would plan public employment at wages

so high as to make private employment unprofitable and all but impossible, so high that the self-employing farmer even would more and more frequently prefer to quit his farm and go to work on a municipal, State, or county farm.

The probable future course of the Party, however, is foreshadowed by the suggestions made by Mr. Simons in the report referred to, which, though not yet voted upon, seemed to meet general approval: —

"With the writers of the Communist Manifesto we agree in the principle of the 'application of all rents of land to public purposes.' To this end we advocate the taxing of all lands to their full rental value, the income therefrom to be applied to the establishment of industrial plants for the preparing of agricultural products for final consumption, such as packing houses, canneries, cotton gins, grain elevators, storage and market facilities." [a]

There is no doubt that Mr. Simons here indorses the most promising line of agrarian reform under capitalism. But there is no reason why capitalist collectivism may not take up this policy when it reaches a somewhat more advanced stage. The tremendous benefits the cities will secure by the gradual appropriation of the unearned increment will almost inevitably suggest it to the country also. This will immensely hasten the development of agriculture and the numerical

[a] Mr. Simons's resolution also contains another proposition, seemingly at variance with this, which would postpone Socialist action indefinitely: —

"In the field of industry what the Socialist movement demands is the social ownership and control of the socially operated means of production, not of all means of production. Only to a very small extent is it [the land] likely to be, for many years to come, a socially operated means of production."

On the contrary, it would seem that "State Socialism," the basis on which Socialists must build, to say nothing of Socialism, will bring about a large measure of government ownership of land in the interest of the farmer of the individually operated farm. Socialism, it is true, requires besides government ownership, governmental operation, and recognizes that this is practicable only as fast as agriculture becomes organized like other industries. In the meanwhile it recognizes either in gradual government ownership or in the taxation of the unearned increment, the most progressive steps that can be undertaken by a capitalist government and supports them *even where there is no large-scale production or social operation.* For "wherever individual ownership is an agency of exploitation," to quote Mr. Simons's own resolution, "then such ownership is opposed by Socialism," *i.e. wherever labor is employed.*

The Socialist solution, it is true, can only come with "social operation," but that does not mean that Socialism has nothing to say to-day. It still favors the reforms of collectivist capitalism. Where extended national ownership of the land is impracticable there remains the taxation of the future unearned increment. To drop this "demand" also is to subordinate Socialism completely to small-scale capitalism.

increase of an agricultural working class. What is even more important is that it will teach the agricultural laborers that far more is to be gained by the political overthrow of the small capitalist employing farmers and by claiming a larger share of the benefit of these public funds than by attempting the more and more difficult task of saving up the sum needed for acquiring a small farm or leasing one for a long term from the government.

The governmental appropriation of agricultural rent and its productive expenditure on agriculture will in all probability be carried out, even if not prematurely promised at the present time, by collectivist capitalism. Moreover, while this great reform will strengthen Socialism as indicated, it will strengthen capitalism still more, especially in the earlier stages of the change. Socialists recognize, with Henry George, that ground rent may be nationalized and "tyranny and spoliation be continued." For if the present capitalistic state gradually became the general landlord, either through the extension of the national domain or through land taxation, greater resources would be put into the hands of existing class governments than by any other means. If, for example, the Socialists opposed the government bank in Germany they might dread even more the *present* government becoming the universal landlord, though it would be useless to try to prevent it.

It is clear that such a reform is no more a step in Socialism or in the direction of Socialism than the rest of the capitalist collectivist program. But it is a step in the development of capitalism and will ultimately bring society to a point where the Socialists, if they have in the meanwhile prepared themselves, may be able to gain the supreme power over government and industry.

Socialists do not feel that the agricultural problem will be solved at all for a large part of the agriculturists (the laborers) nor in the most satisfactory manner for the majority (self-employing farmers) until the whole problem of capitalism is solved. The agricultural laborers they claim as their own to-day; the conditions I have reviewed lead them to hope also for a slow but steady progress among the smaller farmers.

CHAPTER III

SOCIALISM AND THE "WORKING CLASS"

If the majority of Socialists are liberal in their conception of what constitutes the "working class," they are equally broad in their view as to what classes must be reckoned among its opponents. They are aware that on the other side in this struggle will be found all those classes that are willing to serve capitalism or hope to rise into its ranks.

In its narrow sense the term "capitalist class" may be restricted to mean mere idlers and parasites, but this is not the sense in which Socialists usually employ it. Mere idlers play an infinitely less important part in the capitalist world than active exploiters. It is even probable that in the course of a strenuous struggle the capitalists themselves may gradually tax wholly idle classes out of existence and so actually strengthen the more active capitalists by ridding them of this burden. Active exploiters may pass some of their time in idleness and frivolous consumption, without actual degeneration, without becoming mere parasites. All exploitation is parasitism, but it does not follow that every exploiter is nothing more than a parasite. He may work feverishly at the game of exploitation and, as is very common with capitalists, may be devoted to it for its own sake and for the power it brings rather than for the opportunity to consume in luxury or idleness. If pure parasitism were the object of attack, as certain Socialists suppose it to be, all but an infinitesimal minority of mankind would already be Socialists.

Nor do Socialists imagine that the capitalist ranks will ever be restricted to the actual capitalists, those whose income is derived chiefly from their possessions. Take, for example, the class of the least skilled and poorest-paid laborers such as the so-called "casual laborers," the "submerged tenth" — those who, though for the most part not paupers, are in extreme poverty and probably are unable to maintain themselves in a state of industrial efficiency even for that low-paid and unskilled labor to which they are accustomed. Mr.

H. G. Wells and other observers feel that this class is likely to put even more obstacles in the path of Socialism than the rich: "Much more likely to obstruct the way to Socialism," says Mr. Wells, "is the ignorance, the want of courage, the stupid want of imagination in the very poor, too shy and timid and clumsy to face any change they can evade! But even with them popular education is doing its work; and I do not fear but that in the next generation we will find Socialists even in the slums." (1)

"Misery and poverty are so absolutely degrading, and exercise such a paralyzing effect over the nature of men, that no class is ever really conscious of its own suffering," says Oscar Wilde. "They have to be told of it by other people, and they often entirely disbelieve them. What is said by great employers of labor against agitators is unquestionably true. Agitators are a set of interfering, meddling people, who come down to some perfectly contented class of the community and sow the seeds of discontent amongst them." (2) It is the "very poor" who disbelieve the agitators. They must be embraced in every plan of social reconstruction, but they cannot be of much aid. The *least* skilled must rather be helped and those who can and do help them best are not any of their "superiors," but their blood brothers and sisters of the economic class just above them — the great mass of the unskilled workers.

The class of casual workers and the able-bodied but chronically under-employed play a very serious rôle in Socialist politics. It is the class from which, as Socialists point out, professional soldiers, professional strike breakers, and, to some extent, the police are drawn. Among German Socialists it is called the "lumpen proletariat," and both for the present and future is looked at with the greatest anxiety. It is not thought possible that any considerable portion of it will be brought into the Socialist camp in the near future, though some progress has been made, as with every other element of the working class. It is acknowledged that it tends to become more numerous, constantly recruited as it is from the increasing class of servants and other dependents of the rich and well-to-do.

But Socialists understand that the mercenary hirelings drawn from this class, and directly employed to keep them "in order," are less dangerous than the capitalists' camp followers. Bernard Shaw calls this second army of depend-

ents "the parasitic proletariat." But he explains that he means not that they do not *earn* their living, but that their labor is unproductive. They are parasitic only in the sense that their work is done either for parasites or for the parasitical consumption of active capitalists. Nor is there any sharp line between proletarian and middle class in this element, since parts of both classes are equally conscious of their dependence. Shaw makes these points clear. His only error is to suppose that Socialists and believers in the class war theory, have failed to recognize them.

"Thus we find," says Shaw, "that what the idle man of property does is to plunge into mortal sin against society. He not only withdraws himself from the productive forces of the nation and quarters himself on them as a parasite: he withdraws also a body of propertyless men and places them in the same position except that they have to earn this anti social privilege by ministering to his wants and whims. He thus creates and corrupts a class of workers — many of them very highly trained and skilled, and correspondingly paid — whose subsistence is bound up with his income. They are parasites on a parasite; and they defend the institution of private property with a ferocity which startles their principal, who is often in a speculative way quite revolutionary in his views. They knock the class war theory into a cocked hat [I shall show below that class war Socialists, on the contrary, have always recognized, the existence of these facts, "whilst the present system lasts." — W. E. W.] by forming a powerful conservative proletariat whose one economic interest is that the rich should have as much money as possible; and it is they who encourage and often compel the property owners to defend themselves against an onward march of Socialism. Thus we have the phenomenon that seems at first sight so amazing in London: namely, that in the constituencies where the shopkeepers pay the most monstrous rents, and the extravagance and insolence of the idle rich are in fullest view, no Socialist — nay, no Progressive — has a chance of being elected to the municipality or to Parliament. The reason is that these shopkeepers live by fleecing the rich as the rich live by fleecing the poor. The millionaire who has preyed upon Bury and Bottle until no workman there has more than his week's sustenance in hand, and many of them have not even that, is himself preyed upon in Bond Street, Pall Mall, and Longacre.

"But the parasites, the West End tradesman, the West End professional man, the schoolmaster, the Ritz hotel keeper, the horse dealer and trainer, the impresario and his guinea stalls, and the ordinary theatrical manager with his half-guinea ones, the huntsman, the jockey, the gamekeeper, the gardener, the coachman, the huge mass of minor shopkeepers and employees who depend on these

or who, as their children, have been brought up with a little crust of conservative prejudices which they call their politics and morals and religion: all these give to Parliamentary and social conservatism its real fighting force; and the more 'class conscious' we make them, the more they will understand that their incomes, *whilst the present system lasts,* are bound up with those of the proprietors whom Socialism would expropriate. And as many of them are better fed, better mannered, better educated, more confident and successful than the productive proletariat, the class war is not going to be a walkover for the Socialists." (3)

If we take into account both this "parasitic proletariat" and the "lumpen proletariat" previously referred to, it is clear that when the Socialists speak of a class struggle against the capitalists, they do not expect to be able to include in their ranks all "the people" nor even all the wage earners. This is precisely one of the things that distinguishes them most sharply from a merely populistic movement. Populist parties expect to include *all* classes of the "common people," and every numerically important class of capitalists. Socialists understand that they can never rely on the small capitalist except when he has given up all hope of maintaining himself as such, and that they are facing not only the whole capitalist class, but also their hirelings and dependents.

Socialists as a whole have never tended either to a narrowly exclusive nor to a vaguely inclusive policy. Nor have their most influential writers, like Marx and Liebknecht, given the wage earners *a privileged position in the movement.* I have quoted from Liebknecht. "Just as the democrats make a sort of a fetish of the words 'the people,'" wrote Marx to the Communists on resigning from the organization in 1851, "so you may make one of the word 'proletariat.'"

But it cannot be denied that many of Marx's followers have ignored this warning, and the worship of the words "proletariat" or "working class" is still common in some Socialist quarters. Recently Kautsky wrote that the Socialist Party, besides occupying itself with the interests of the manual laborers, "must also concern itself with all social questions, but that *its attitude on these questions is determined by the interests of the manual laborers.*"

"The Socialist Party," he continued, "is forced by its class position to expand its struggle against its own exploitation and oppression into a struggle against all forms of exploitation and oppression, to broaden its struggle for class interests into

a struggle for liberty and justice for all members of the community." According to this interpretation, the Socialist Party, starting out from the standpoint of the economic interests of the "manual laborers," comes to represent the interests of all classes, except the capitalists. We may doubt as to whether the other non-capitalist classes will take kindly to this subordination or "benevolent assimilation" by the manual workers. Kautsky seems to have no question on this matter, however; for he considers that the abolition of the oppression and exploitation of the wage earners, *the class at the bottom*, can only be effected by the abolition of all exploitation and oppression, and that therefore "all friends of universal liberty and justice, whatever class they may spring from, are compelled to join the proletariat and to fight its class struggles." (4) Even if this is true, these other classes will demand that they should have an equal voice in carrying on this struggle in proportion to their numbers, and Socialist parties have usually (though not always) given them that equal voice.

The kernel of the working class, "the layers of the industrial proletariat which have reached political self-consciousness," provides the chief supporters of the Socialist movement, according to Kautsky, although the latter is the representative "not alone of the industrial wage workers, but of all the working and exploited layers of the community, that is, the great majority of the total population, what one ordinarily calls 'the people.'" While Socialism is to represent all the producing and exploited classes, the industrial proletariat is thus considered as the model to which the others must be shaped and as by some special right or virtue it is on all occasions to take the forefront in the movement. This position leads inevitably to a considerably qualified form of democracy.

"The backbone of the party will always be the fighting proletariat, whose qualities will determine its character, whose strength will determine its power," says Kautsky. "Bourgeois and peasants are highly welcome if they will attach themselves to us and march with us, but the proletariat will always show the way.

"But if not only wage earners but also small peasants and small capitalists, artisans, middle-men of all kinds, small officials, and so forth — in short, the whole so-called 'common people' — formed the masses out of which Social Democracy recruits its adherents, we must not forget that these classes, with the exception of the class-

conscious wage-earners, are also a recruiting ground for our opponents; their influence on these classes has been and still is to-day the chief ground of their political power.

"To grant political rights to the people, therefore, by no means necessarily implies the protection of the interests of the proletariat or those of social evolution. Universal suffrage, as it is known, has nowhere brought about a Social Democratic majority, while it may give more reactionary majorities than a qualified suffrage under the same circumstances. It may put aside a liberal government only to put in its place a conservative or catholic one. . . .

"Nevertheless the proletariat must demand democratic institutions under all circumstances, for the same reasons that, once it has obtained political power, it can only use its own class rule for the purpose of putting an end to all class rule. It is the bottommost of the social classes. It cannot gain political rights, at least not in its entirety, except if everybody gets them. Each of the other classes may become privileged under certain circumstances, but not the proletariat. The Social Democracy, the party of the class-conscious proletariat, is therefore the surest support of democratic efforts, much surer than the bourgeois democracy.

"But if the Social Democracy is also the most strenuous fighter for democracy, it cannot share the latter's illusions. It must always be conscious of the fact that every popular right which it wins is a weapon not only for itself, but also for its opponents; it must therefore under certain circumstances understand that democratic achievements are more useful at first to the enemy than to itself; but only at first. For in the long run the introduction of democratic institutions in the State can only turn out to the profit of Social Democracy. They necessarily make its struggle easier, and lead it to victory. The militant proletariat has so much confidence in social evolution, so much confidence in itself, that it fears no struggle, not even with a superior power; it only wants a field of battle on which it can move freely. The democratic State offers such a field of battle; there the final decisive struggle between bourgeoisie and proletariat can best be fought out."

The reader might understand this somewhat vacillating position on the whole to favor democracy, but only a few pages further on Kautsky explains his reasons for opposing the initiative and referendum, and we see that when the point of action arrives, his democratic idealism is abandoned:—

"In our opinion it follows from the preceding that the initiative and referendum do *not* belong to those democratic institutions which must be furthered by the proletariat in the interest of its own struggle for emancipation everywhere and under all circumstances. The referendum and initiative are institutions which may be very useful under certain circumstances if one does not overvalue these

uses, but under other circumstances may cause great harm. The introduction of the initiative and referendum is, therefore, not to be striven for everywhere and under all circumstances, but only in those places where certain conditions are fulfilled.

"Among these conditions precedent we reckon, above all, the preponderance of the city population over that of the country — a condition which at the present moment has only been reached in England. A further condition precedent is a highly developed political party life which has taken hold of the great masses of the population, so that the tendency of direct legislation to break up parties and to bridge over party opposition are no more to be feared.

"But the weightiest condition precedent is the lack of an overwhelmingly centralized governmental power, standing independently against the people's representatives." (5) (My italics.)

The first condition mentioned I have discussed in the previous chapter; the second indicates that Kautsky, speaking for many German Socialists, for the present at least, puts party above democracy.

The industrial proletariat is supposed to have the mission of saving society. Even when it is not politically "self-conscious," or educated to see the great rôle it must play in the present and future transformation of society, it is supposed that it is *compelled* ultimately "by the logic of events" to fill this rôle and attempt the destruction of capitalism and the socialization of capital. This prediction may *ultimately* prove true, but time is the most vital element in any calculation, and Kautsky himself acknowledges that the industrial proletariat "had existed a long time before giving any indication of its independence," and that during all this long period "no militant proletariat was in existence."

The chief practical reason for relying so strongly on the industrial wage earners as stated by Bebel and other Socialists is undoubtedly that "the proletariat increases more and more until it forms the overwhelming majority of the nation." No doubt, in proportion as this tendency exists, the importance of gathering certain parts of the middle class into the movement becomes less and less, and the statement quoted, if strongly insisted upon, even suggests a readiness to attempt to get along entirely without these elements. The figures of the Census indicate that in this country, at least, we are some time from the point when the proletariat will constitute even a bare majority, and that it is not likely to form an overwhelming majority for decades to come. But the European view is common here also.

The moderate Vandervelde also says that the Socialist program has been "formulated by or for the workingmen of large-scale industry." (6) This may be true, but we are not as much interested to know who formulated the program of the movement as to understand its present aim. Its aim, it is generally agreed, is to organize into a single movement all anti-capitalistic elements, all those who want to abolish capitalism, those exploited classes that are not too crushed to revolt, those whose chief means of support is socially useful labor and not the ownership of capital or possession of some privileged position or office. In this movement it is generally conceded by Socialists that the workingmen of industry play the central part. But they are neither its sole origin nor is their welfare its sole aim.

The best known of the Socialist critics of Marxism, Edward Bernstein, shares with some of Marx's most loyal disciples in this excessive idealization of the industrial working class. Indeed, he says, with more truth than he realizes, that in proportion as revolutionary Marxism is relegated to the background it is necessary to affirm more sharply the class character of the Party. That is to say, if a Socialist Party abandons the principles of Socialism, then the only way it can be distinguished from other movements is by the fact that it embraces other elements of the population, that it is a class movement. But Socialism is something more than this, it is a class movement of a certain definite character, composed of classes that are naturally selected and united, owing to certain definite characteristics.

"The social democracy," says Bernstein, "can become the people's party, but only in the sense that the workingmen form the *essential* kernel around which are grouped social elements having identical interests. . . . Of all the social classes opposed to the capitalist class, the working class *alone* represents an invincible factor of social progress," and social democracy "addresses itself principally to the workers." (My italics.)

Perhaps the most orthodox Socialist organ in America, and the ablest representative in this country of the international aspects of the movement (the *New Yorker Volkszeitung*), insists that "the Socialist movement consists in the fusion of the Socialist doctrine with the labor movement and in nothing else," and says that students and even doctors have little importance for the Party. The less orthodox but

more revolutionary *Western Clarion*, the Socialist organ of British Columbia, where the Socialists form the chief opposition party in the legislature, asserts boldly, "We have no leaning towards democracy; all we want is a short supply of working-class autocracy."

Some of the ultra-revolutionists have gone so far in their hostility to all social classes that do not work with their hands, that they have completed the circle and flown into the arms of the narrowest and least progressive of trade unionists — the very element against which they had first reacted. The Western Socialist, Thomas Sladden, throwing into one single group all the labor organizations from the most revolutionary to the most conservative, such as the railway brotherhoods, says that all "are in reality part of the great Socialist movement," and claims that whenever "labor" goes into politics, this also is a step towards Socialism, though Socialist principles are totally abandoned. Mayor McCarthy of San Francisco, for instance, satisfied his requirements. "McCarthy declares himself a friend of capital," says Sladden, but, he asks defiantly, "Does any sane capitalist believe him?" Here we see one of the most revolutionary agitators becoming more and more "radical" until he has completed the circle and come back, not only to "labor right or wrong," but even to "labor working in harmony with capital."

"The skilled workingman," he says, "is not a proletarian. He has an interest to conserve, he has that additional skill for which he receives compensation in addition to his ordinary labor power."

Mr. Sladden adds that the *real* proletarian is "uncultured and uncouth in appearance," that he has "no manners and little education," and that his religion is "the religion of hate." Of course this is a mere caricature of the attitude of the majority of Socialists.

Some of the partisans of revolutionary unionism in this country are little less extreme. The late Louis Duchez, for example, reminds us that Marx spoke of the proletariat as "the lowest stratum of our present society," those "who have nothing to lose but their chains," and that he said that "along with the constantly diminishing number of the magnates of capital who usurp and monopolize all the advantages of this process of transformation, grows the mass of misery, oppression, slavery, degradation, exploitation; but with this, too, grows the revolt of the working class." It is true that

Marx said these things and said them with emphasis. But he did not wish to make any rigid or dogmatic definition of "the proletariat" and much that he has said pointed to an entirely different conception than would be gained from these quotations.

In speaking of "the lowest stratum of society" Marx was thinking, not of a community divided into numerous strata, but chiefly of three classes, the large capitalists, the workers, and the middle class. It was the lowest of these three, and not the lowest of their many subdivisions, that he had in mind. From the first the whole Socialist movement has recognized the almost complete hopelessness, as an aid to Socialism, of the lowest stratum in the narrow sense, of what is called the "lumpen proletariat," the bulk of the army of beggars and toughs. Mr. Duchez undoubtedly would have accepted this point, for he wishes to say that the Socialist movement must be advanced by the organization of unions not among this class, but among the next lowest, economically speaking, the great mass of unskilled workers. This argument, also, that the unskilled have a better strategic position than the skilled on account of their solidarity and unity is surely a doubtful one. European Socialists, as a rule, have reached the opposite conclusion, namely, that it is the comparatively skilled workers, like those of the railways, who possess the only real possibility of leading in a general strike movement (see Chapters V and VI).

CHAPTER IV

SOCIALISM AND THE LABOR UNIONS

One of the grounds on which it is proposed by some Socialists to give manual labor a special and preferred place in the movement is that it is supposed to be the only numerically important non-capitalist element that is at all well organized or even organizable. Let us see, then, to what degree labor is organized and what are the characteristics of this organization.

First, the labor unions represent manual wage earners almost exclusively — not by intention, but as a matter of fact. They include only an infinitesimal proportion of small employers, self-employing artisans, or salaried employees.

Second, the unions by no means include all the manual wage earners, and only in a few industries do they include a majority. Those organized are, as a rule, the more developed and prosperous, the skilled or comparatively skilled workers.

Third, their method of action is primarily that of the strike and boycott — economic and not political. They demand certain legislation and in several cases have put political parties in the field; they exert a political pressure in favor of government employees. But their chief purpose, even when they do these things, is to develop an organization that can strike and boycott effectively; and to secure only such political and civil rights as are needed for this purpose.

The unions are primarily economic, and the Socialist Party is primarily political — both, to have any national power, must embrace a considerable proportion of the same industrial wage-earning class. It is evident that conflict between the two organizations is unnecessary and we find, indeed, that it arises only in exceptional cases. Many Socialists, however, look upon the unions primarily as an economic means, more or less important, of advancing political Socialism — while many unionists regard the Socialist parties primarily as political instruments for furthering the economic action of the unions.

There are several groups of Socialists, on the other hand, who ascribe to the economic action of the unions a part in attaining Socialism as important or more important than that they ascribe to the political action of the party. These include, first, all those for whom Socialism is to be brought about almost exclusively by wage earners, whether by political or by economic action; second, those who do not believe the capitalists will allow the ballot to be used for anti-capitalistic purposes; third, those who believe that, in spite of all that capitalists and capitalistic governments can do, strikes and boycotts cannot be circumvented and in the end are irresistible.

Other Socialists, agreeing that economic action, and therefore labor unions, both of the existing kind and of that more revolutionary type now in the process of formation, are indispensable, still look upon the Socialist Party as the chief instrument of Socialism. As these include nearly all Party members who are not unionists as well as a considerable part of the unionists, they are perhaps a majority — internationally.

As the correct relationship between Party and unions, Mr. Debs has indorsed the opinion of Professor Herron, who, he said, "sees the trend of development and arrives at conclusions that are sound and commend themselves to the thoughtful consideration of all trade unionists and Socialists." Professor Herron says that the Socialist is needed to educate the unionists to see their wider interests: —

"He is not to do this by seeking to commit trade-union bodies to the principles of Socialism. Resolutions or commitments of this sort accomplish little good. Nor is he to do it by taking a servile attitude towards organized labor nor by meddling with the details or the machinery of the trade unions. It is better to leave the trade unions to their distinctive work, as the workers' defense against the encroachments of capitalism, as the economic development of the worker against the economic development of the capitalist, giving unqualified support and sympathy to the struggles of the organized worker to sustain himself in his economic sphere. But let the Socialist also build up the character and harmony and strength of the Socialist movement as a political force, that it shall command the respect and confidence of the worker, irrespective of his trade or his union obligations. It is urgent that we so keep in mind the difference between the two developments that neither shall cripple the other." (1)

Here is a statement of the relation of the two movements that corresponds closely to the most mature and widespread

Socialist opinion and to the decisions of the International Socialist Congresses.

This view also meets that of the unions in most countries. The President of the American Federation, Mr. Gompers, understands this thoroughly and quotes with approval the action taken recently by the labor unions in Sweden, Hungary, and Italy, which demand the enforcement of this policy of absolute "neutrality." Formerly the federation of the unions of Sweden, for example, agreed to use their efforts to have the local unions become a part of the local organization of the Social Democratic Party. These words providing for this policy were struck out of the constitution by the Convention of 1909, which at the same time adopted (by a considerable majority) a resolution that "by this decision it was not intended to break up the unity and solidarity of labor's forces, for the convention considers the Social Democratic Party as the natural expression of the political ambitions of the Swedish workers." A similar relation prevails in nearly every country of the Continent.

The Secretary of the German Federation (who is its highest officer) — a man who is at the same time an active Socialist, — has defined accurately the relation between the two organizations in that country. He says that the unions cannot accomplish their purposes without securing political representation "through a Party that is active in legislative bodies." This is also the view now of the British unions, which in overwhelming majority support the Labor Party. And they do this for the same purposes mentioned by Legien: to protect the working people from excessive exploitation, to enact into law the advantages already won by the unions, and so to smooth the way for better labor conditions. Similarly, the American Federation of Labor secures representation on legislative bodies, and hesitates to form a national Labor Party, not on principle, but only because American conditions do not in most localities promise that it would be effective.

Mr. Mitchell expresses the position of the American Federation when he says that the "wage earners should in proportion to their strength secure the nomination and the election of a number of representatives to the governing bodies of city, State, and nation," but that "a third Labor Party is not for the present desirable, because it would not obtain a majority and could not therefore force its will upon the community at large." (2) The European Socialists would perhaps not

understand the political principle of our governmental system, which requires a plurality in the State or nation in order to obtain immediate results. For in this country the more important branches of the government are the executive and judges, and these, unlike the legislatures, cannot as a rule be divided, and therefore give no opportunity for the representation of minorities, and are necessarily elected by State or national pluralities and usually by majorities. In the monarchical countries of the Continent either such officials are not elected, or their powers are circumscribed, and even England lies in this respect halfway between those countries and the United States. What Mr. Mitchell says is in so far true; it would certainly require a large number of elections before a party beginning on the basis of a minority of representatives in Congress or the legislatures could win enough control over the executive and judges to "force its will upon the community at large." Mr. Mitchell and the other leaders of the Federation are, it is seen, unwilling to undertake a campaign so long and arduous, and, since they have no means of attracting the votes of any but wage-earning voters, so doubtful as to its outcome.

Mr. Mitchell says that the workingmen in a separate party could not even secure a respectable minority of the legislators. The numerical strength of the Unions in proportion to the *voting* population is scarcely greater than it was when he wrote (1903), and what he said then holds true as ever to-day.

Mr. Gompers has also stated that labor would not be able to secure more than twenty-five or fifty Congressmen by independent political action. This is undoubtedly true, and we may take it for granted, therefore, that, unless the unions most unexpectedly increase their strength, there will be no national or even State-wide Trade Union or Labor Party in this country, though the San Francisco example of a city Labor party may be repeated now and then, and State organizations of the Socialist Party, which enjoy a large measure of autonomy, may occasionally, without changing their present names, reduce themselves to mere trade-union parties in the narrow sense of the term. President Gompers has claimed that 80 per cent of the voting members of the American Federation of Labor followed his advice in the election of 1908, which was, in nearly every case, to vote the Democratic ticket. There were not over 2,000,000 members of the Federation at this time, and of these (allowing for women, minors, and non-voting foreigners) there were not more than 1,500,000 voters. About 60 per cent of this number have always voted Democratic, so that if Mr. Gompers's claim were

conceded it would mean a change of no more than 300,000 votes. It is true that such a number of voters could effect the election or defeat of a great many Democrats or Republican Congressmen, but, as Mr. Gompers says, it could only elect a score or two of Independents, a number which, as the example of Populism has shown, would be impotent under our political system. Moreover, as such a Congressional group would be situated politically not in the middle, but at one of the extremes, *it could never hold the balance of power in this or any other country* until it became *a majority.*

Mr. Mitchell is careful to qualify his opposition to the third party (or Labor Party) idea. He writes: "I wish it to be understood that this refers only to the immediate policy of the unions. One cannot see what the future of the dominant parties in the United States will be, and should it come to pass that the two great American political parties oppose labor legislation, as they now favor it, it would be the imperative duty of unionists to form a third party in order to secure some measure of reform." (2) Certainly both parties are becoming more and more willing to grant "some measure" of labor reform, so that Mr. Mitchell is unlikely to change his present position.

Whether the unions form a separate party or not, is to them a matter not of principle, but of ways and means, of time and place. Where they are very weak politically they seek only to have their representatives in other parties; where they are stronger they may form a party of their own to coöperate with the other parties and secure a share in government; where they are strongest they will seek to gain control over a party that plays for higher stakes, brings to the unions the support of other elements, and remains in opposition until it can secure undivided control over government, *e.g.* the Socialist Party. Whether the unions operate through all parties or a Labor Party or a Socialist Party, is of secondary importance also to Socialists; what is of consequence is the character of the unions, and the effect of their political policy on the unions themselves. In all three cases the principles of the unions may be at bottom the same, and in any of the three cases they may be ready to use the Socialist Party for the sole purpose of securing a modest improvement of their wages — even obstructing other Party activities — as some of the German union leaders have done. They may also use a Labor Party for the same purpose — as in Great Britain. Or they may develop a political program without really

favoring any political party or having any distinctive political aim — as in the United States.

The labor unions, even the most conservative, have always and everywhere had some kind of a political program. They have naturally favored the right to organize, to strike and boycott, free speech and a free press. They have demanded universal suffrage, democratic constitutions, and other measures to increase the political power of their members. They have favored all economic reform policies of which working people got a share, even if a disproportionately small one, and all forms of taxation that lightened their burdens. (a) And, finally, they have usually centered their attacks on the most powerful of their enemies, whether Emperor, Church, army, landlords, or large capitalists.

In economic and political reform, the American unions, like those of other countries, support all progressive measures, including the whole "State Socialist" program. As to political machinery, they favor, of course, every proposal that can remove constitutional checks and give the majority control over the government, such as the easy amendment of constitutions and the right to recall judges and all other officials by majority vote. Like the Socialists, they welcome the "State Socialist" labor program, government insurance for

(a) Miss Hughan in her "American Socialism," p. 220, quotes an expression of mine (see the *New York Call*, March 22, 1910) in which I said that "petty reforms never have aroused and never will arouse the enthusiasm of the working class and do not permit of its coöperation, but leave everything in the hands of a few self-appointed leaders."

Miss Hughan herself points out that I have never considered all so-called reforms as petty (see "American Socialism of the Present Day," p. 216) and quotes (on p. 199) an expression from the very article above mentioned in which I define what reforms I consider are of special importance to the wage earners, namely, those protecting the strike, the boycott, free speech, and civil government. I even mentioned labor legislation on a national scale. The petty reforms I referred to were State labor laws. These will not only be carried out by non-Socialists, but receive very little attention from active labor bodies such as the city and State federations, which are almost wholly absorbed in the greater and more difficult task of defending the strike, boycott, free speech, and sometimes civil government. Labor will do everything in its power to promote child labor laws, workingmen's compensation etc., except to give them its chief attention instead of the struggle for higher wages and the rights needed to carry it on effectively. As a consequence these matters are left to a few selfish or unselfish persons, who are "self-appointed leaders," even when the unions consent to leave these particular matters in their hands. For active coöperation of the masses in the legal, economic, and political intricacies of such legislation is not only undesirable, but impossible under the present system of society and government. Labor must govern itself through instructed *delegates*, while such work can be done only by *representatives*, who must often have the power to act without further consultation with those who elected them.

workingmen against old age, sickness, accidents, and unemployment, a legal eight-hour day, a legal minimum wage, industrial education, the prohibition of child labor, etc.

The unions and the parties they use also join in the effort of the small capitalist investors and borrowers, consumers and producers, to control the large interests — the central feature of the "State Socialist" policy. But the conservative unions do not stop with such progressive, if non-Socialist, measures; they take up the cause of the smaller capitalists also *as competitors*. The recent attack of the Federation of Labor on the "Steel Trust" is an example. The presidents of the majority of the more important unions, who signed this document, became the partisans not only of small capitalists who buy from the trust, sell to it, or invest in its securities, but also of the unsuccessful competitors that these combinations are eliminating. The Federation here spoke of "the American institution of unrestricted production," which can mean nothing less than unrestricted competition, and condemned the "Steel Trust" because it controls production, whereas the regulation or control of production is precisely the most essential thing to be desired in a progressive industrial society — a control, of course, to be turned as soon as possible to the benefit of all the people.

The Federation's attack was not only economically reactionary, but it was practically disloyal to millions of employees. It applies against the "trust," which happens to be unpopular, arguments which apply even more strongly to competitive business. The trust, it said, corrupts legislative bodies and is responsible for the high tariff. As if all these practices had not begun before the "trusts" came into being, as if the associated manufacturers are not even more strenuous advocates of all the tariffs — which are life and death matters to them — than the "trusts," which might very well get along without them. Finally, the Federation accuses the "Steel Trust" of an especially oppressive policy towards its working people, apparently forgetting its arch enemy, the manufacturer's association. It is notorious, moreover, that the smallest employers, such as the owners of sweat shops, nearly always on the verge of bankruptcy and sometimes on the verge of starvation themselves, are harder on their labor than the industrial combinations, and that in competitive establishments, like textile mills, the periods when employers are forced to close down altogether are far more frequent,

making the average wages the year round far below those paid by any of the trusts. The merest glance at the statistics of the United States census will be sufficient evidence to prove this. For not only are weekly wages lower in the textile mills and several other industries than they are in the steel corporation, but also employment year in and year out is much more irregular. Here we see the unions adopting the politics of the small capitalists, not only on its constructive or "State Socialist" side, but also in its *reactionary* tendency, now being rapidly outgrown, of trying to restore competition, and actually working against their own best interests for this purpose.

A writer in the *Federationist* demands "a reduction of railway charges, express rates, telegraph rates, telephone rates," and a radical change in the great industrial corporations such as the Steel Trust, which is to be subjected to thorough regulation. Swollen fortunes are to be broken up, together with the power of the monopolists, of "the gamblers in the necessities of life, etc." (3) In this writer's opinion (Mr. Shibley), the monopolists are the chief cause of high prices and the only important anti-social group, and all the other classes of society have a common interest with the wage earners. But business interests, manufacturers, the owners of large farms, and employers in lines where competition still prevails, would also, with the fewest exceptions, take sides against the working people in any great labor conflict — as the history of every modern country for the past fifty years has shown. It is not "Big Business" or "The Interests," but business in general, not monopolistic employers, but the whole employing class, against which the unions have contended and always must contend — on the economic as well as the political field. Mr. Gompers and his associates, like Mr. Bryan and Senator La Follette, demand that the people shall rule, but they all depend upon the hundreds of thousands of business men as allies, who, if opposed to government by monopolies, are still more opposed to government by their employees or by the consumers of their products, and are certain to fight any political movement of which they are a predominating part.

The American Federation of Labor, and the majority of the labor unions comprising it, are thus seen to have a political program scarcely distinguishable from that of the radical wing of either of the large parties, — for it seeks little if any more than to join in with the general movement against monopolists and large capitalists in a conflict that can never be won or lost, since the leaders in the movement are themselves indirectly and at the bottom a part of the capitalist class.

The President of the American Federation views this partly

reactionary and partly "State Socialist" program as being directed against "capitalism." "The votes of courageous and honest citizens in all civilized lands," says Mr. Gompers, "are cutting away the capitalistic powers' privilege to lay tribute on the producers. Capitalism, as a surviving form of feudalism, — the power to deprive the laborer of his product, — gives signs of expiring." (4) Democratic reform and improvement in economic conditions are apparently taken by Mr. Gompers as a sign that capitalism is expiring and that society is progressing satisfactorily to the wage earners. Although the constitution of the Federation says that the world-wide "struggle between the capitalist and the laborer" is a struggle between "oppressors and oppressed," Mr. Gompers gives the outside world to understand that the unions have no inevitable struggle before them, but are as interested in industrial peace as are the employers. He has expressed his interpretation of the purpose of the Federation in the single word "more." He sees progress and asks a share for the unionists as each forward step is taken. He does not ask that labor's share be increased in proportion to the progress made — to say nothing of asking that this share should be made disproportionately large in order gradually to make the distribution of income more equal. A capitalism inspired by a more enlightened selfishness might, without any ultimate loss, grant all the Federation's present demands, political as well as economic. Therefore, Mr. Gompers, quite logically, does not see any necessity for an aggressive attitude.

"Labor unions," says Mr. John Mitchell, who takes a similar view, "are *for* workmen, but *against* no one. They are not hostile to employers, not inimical to the interests of the general public. They are for a class, because that class exists and has class interests, but the unions did not create and do not perpetuate the class or its interests and do not seek to evoke a class conflict." (5) Here it is recognized that the working class exists as a class and has interests of its own. But, if, as Mr. Mitchell adds, the unions do not wish to perpetuate this class or its interests, then surely they must see to it, as far as they are able, that members of this class have equal industrial opportunities with other citizens, and that its children should at least be no longer compelled to remain members of a class from which, as he expressly acknowledges, there is at present no escape.

Both Mr. Gompers and Mr. Mitchell have gone to the

defense of the leading anti-Socialist organization in this country, Civic Federation — and nothing could draw in stronger colors than do their arguments the complete conflict of the Gompers-Mitchell labor union policy to that of the Socialists. Mr. Gompers defends the Federation as worthy of labor's respect on the ground that many of its most active capitalist members have shown a sustained sincerity, "always having in mind the rights and interests of labor," which is the very antithesis to the Socialist claim that nobody will always have in mind the rights and the interests of labor, except the laborers — and least of all those who buy labor themselves, or are intimately associated with those who buy labor.

Mr. Mitchell says that through the Civic Federation many employers have become convinced that their antagonism to unions was based on prejudice, and have withdrawn their opposition to the organization of the men in their plants. No doubt this is strictly true. It shows that the unions had been presented to the employers as being profitable to them. This, Socialists would readily admit, might be the case with some labor organizations as they have been shaped by leaders like Mr. Mitchell and conferences like those of the Civic Federation. To Socialists organizations that create this impression of harmony of interests do exactly what is most dangerous for the workers — that is, they make them less conscious and assertive of their own interests.

The Civic Federation, composed in large part of prominent capitalists and conservatives, endeavors to allay the discontent of labor by intimate association with the officers of the unions. Socialists have long recognized the tendency of trade-union leaders to be persuaded by such methods to the capitalist view. Eight years ago at Dresden, August Bebel had already seen this danger, for he placed in the same class with the academic "revisionists" those former proletarians who had been raised into higher positions and were lost to the working classes through "intercourse with people of the contrary tendency." It is this class of leaders, according to the Socialists, which, up to the present, has dominated the trade unions of Great Britain and the United States and occasionally of other countries.

No Socialist has been more persistent in directing working-class opinion against all such "leaders" than Mr. Debs, who does not mince matters in this direction. "The American Federation of Labor," he writes, "has numbers, but the

capitalist class do not fear the American Federation of Labor; quite the contrary. There is something wrong with that form of unionism whose leaders are the lieutenants of capitalism; something is wrong with that form of unionism that forms an alliance with such a capitalist combination as the Civic Federation, whose sole purpose is to chloroform the working class while the capitalist class go through their pockets. . . . The old form of trade unionism no longer meets the demands of the working class. The old trade union has not only fulfilled its mission and outlived its usefulness, but is now positively reactionary, and is maintained, not in the interest of the workers who support it, but in the interest of the capitalist class who exploit the workers who support it."

In a recent speech Mr. Debs related at length the Socialist view as to how, in his opinion, this misleading of labor leaders comes about: —

"There is an army of men who serve as officers, who are on the salary list, who make a good living, keeping the working class divided. They start out with good intentions as a rule. They really want to do something to serve their fellows. They are elected officers of a labor organization, and they change their clothes. They now wear a white shirt and a standing collar. They change their habits and their methods. They have been used to cheap clothes, coarse fare, and to associating with their fellow workers. After they have been elevated to official position, as if by magic they are recognized by those who previously scorned them and held them in contempt. They find that some of the doors that were previously barred against them now swing inward, and they can actually put their feet under the mahogany of the capitalist.

"Our common labor man is now a labor leader. The great capitalist pats him on the back and tells him that he knew long ago that he was a coming man, that it was a fortunate thing for the workers of the world that he had been born, that in fact they had long been waiting for just such a wise and conservative leader. And this has a certain effect upon our new-made leader, and unconsciously, perhaps, he begins to change — just as John Mitchell did when Mark Hanna patted him on the shoulder and said, 'John, it is a good thing that you are at the head of the miners. You are the very man. You have the greatest opportunity a labor leader ever had on this earth. You can immortalize yourself. Now is your time.' Then John Mitchell admitted that this capitalist, who had been pictured to him as a monster, was not half as bad as he had thought he was; that, in fact, he was a genial and companionable gentleman. He repeats his visit the next day, or the next week,

and is introduced to some other distinguished person he had read about, but never dreamed of meeting, and thus goes on the transformation. All his dislikes disappear, and all feeling of antagonism vanishes. He concludes that they are really most excellent people, and, now that he has seen and knows them, he agrees with them there is no necessary conflict between workers and capitalists. And he proceeds to carry out this pet capitalist theory, and he can only do it by betraying the class that trusted him and lifted him as high above themselves as they could reach.

"It is true that such a leader is in favor with the capitalists; that their newspapers write editorials about him and crown him a great and wise leader; and that ministers of the gospel make his name the text for their sermons, and emphasize the vital point that if all labor leaders were such as he, there would be no objections to labor organizations. And the leader feels himself flattered. And when he is charged with having deserted the class he is supposed to serve, he cries out that the indictment is brought by a discredited labor leader. And that is probably true. The person who brings a charge is very likely discredited. By whom? By the capitalist class, of course; and its press and pulpit and 'public' opinion. And in the present state of the working class, when he is discredited by the capitalists, he is at once repudiated by their wage slaves." (6)

Mr. Debs's attitude toward Mr. Mitchell and Mr. Gompers is by no means exceptional among Socialists. Mr. Gompers visited Europe in 1909, spoke at length in Paris and Berlin, and was viewed by the majority of the European Socialists and unionists almost exactly as he is by Mr. Debs. Among other things he said there, was that the very kernel of the difference between the European and the American labor movement and the reason why the wages are so much better in America than in Europe was the *friendlier* relations between the government and the working people in this country — this after all the recent court decisions against the unions, decisions which, even when outwardly milder, have precisely the same effect as the hostile legislation and administration of the Continent. Mr. Gompers, while in Europe, said that it was unnecessary that governments and the working people should misunderstand one another, and asked, "Is there not for us all the common ground of the fatherland, of common interest and the wish that we feel to make our people more prosperous, happier and freer?" "I do not know what I will see there [in Hungary]," he continued, "but this much I will say, that I know that nothing will convince me that this readiness of the workingmen to fight

against the government and of the government to fight against the workingmen can bring anything good to either side." (7)

Such expressions naturally aroused the European Socialist and Labor press, and Kautsky even devoted a special article to Gompers in the *Neue Zeit.* (8) It was not necessary in a Socialist periodical to say anything against Gompers's preaching of the common interests of capital and labor, since there is practically no Socialist who would not agree that such a belief amounts to a total blindness to industrial and political conditions. But Kautsky feared that the German workingmen might give some credit to Gompers's claim that the non-Socialist policy of the American unions was responsible for the relatively greater prosperity of the working people in America. "The workingmen," he explained, referring to this country, "have not won their higher wages in the last decade, but have inherited them from their forefathers. They were principally a result of the presence of splendid lands from which every man who wanted to become independent got as much as he needed."

Then he proceeded to show by the statistics of the Department of Labor that daily real wages, measured in terms of what they would buy, had actually decreased for the majority of American workingmen during the last decade. It is true, as Mr. Gompers replied, that the hours have become somewhat less, and that therefore the amount of real wages received *per hour of work* has slightly increased, though there are few working people who will count themselves very fortunate in a decrease of hours if it is paid for *even in a part* by a decrease of the real wages received at the end of the day. And even if we compare *the early* nineties with the *last years* of the recent decade, we find that the slight increase in the purchasing power of the total wages received (*i.e.* real wages) amounted at the most to no more than two or three per cent in these fifteen years. In a word, the disproportion between the prosperity of the wage earning and capitalist classes has in the past two decades become much greater than ever before.

The basis of the Socialist economic criticism of existing society — and one that appeals to the majority of the world's labor unionists also — is that while the proportion of the population that consists of wage earners is everywhere increasing, the share of the national income that goes to

wages is everywhere growing less. There is no more striking, easily demonstrable, or generally admitted fact in modern life. The whole purpose of Socialism — in so far as it can be expressed in terms of income, is to reverse this tendency and to keep it reversed until private capital is reduced to impotence, as far as the control of industry is concerned.

Contrast with the position of Gompers and Mitchell the chief official of the German unions, Karl Legien, a relatively conservative representative of Continental unionism.

"The unions," he says, "are based on the conviction that there is an unbridgeable gulf between capital and labor. This does not mean that the capitalists and laborers may not, as men, find points of contact; it means only that the accumulation of capital, resting as it does on keeping from the laborer a part of the products of his labor, forces a propertyless proletariat to sell its labor at any price it can get. Between those who wish to maintain these conditions and the propertyless laborers there is a wall which can be done away with only by the abolition of wage labor. Here the views prevailing in the unions are at one with those of the Social Democratic Party."

"The unions are chiefly occupied in the effort to use their power to shape the labor contract in their favor, and do not consider it as their task to propagate this view, but holds the propaganda as being the task rather of the Social Democratic Party and its organizations."

Even the struggle for higher wages and shorter hours carried on by the unions, Legien says, is fought in the consciousness that it will make labor "more capable of the final solution of the social problem." He reminds us that the overwhelming majority of the German unionists are Socialists, and says that the labor conflict itself must have led to this result, though he does not want the unions to support the party as unions. In other countries of the Continent, unionists go even farther. In Austria, Belgium, and elsewhere the two organizations act as a single body, and in France, not satisfied with working for Socialism as members of the party, unionists also make it a declared end of their unions, independently of all political action, and shape their everyday policies accordingly.

It is only when we come to Great Britain that we find the unions in a conciliatory relation with employers such as has hitherto prevailed in the United States. The relation between the unions and capitalistic "State Socialists" of Great Britain has been friendly. As I have already noted,

the enthusiasm of the British unions for the social reforms of the Liberal Party and government has hitherto been so great that they consented that the increase of the taxation needed to pay for these reforms should fall on their shoulders, while the wealthy classes made the world ring with epithets of "revolution" because a burden of almost exactly the same weight was placed on them to pay for the Dreadnoughts they demanded, and because land was nationally taxed for the first time. Mr. Churchill himself conceded that his social reform budget "draws nearly as much from the taxation of tobacco and spirits, which are the luxuries of the working classes, who pay their share with silence and dignity, as it does from those wealthy classes upon whose behalf such heart-rending outcry is made." (9)

Perhaps the fact that the labor unions of Great Britain *up to 1910* spent less than a tenth part of their income on strikes was a still stronger ground for Mr. Churchill's admiration, since he had to deal with the strikers as President of the Board of Trade. While the national income of the country has been increasing enormously in the past two decades, and the higher or taxed incomes have more than doubled (which is a rate of increase far greater than the rise in prices), the income even of unionized workers has not kept up with this rise. In a word, the propertied classes are getting a larger and larger share of the national income (see Mr. Churchill's language in preceding chapter). Now should the unions continue in the moderation of their demands, — or even should they obtain a 10 or 20 per cent increase (as some have done since the railway and seamen's strike of 1911), — *the propertied classes would still have been getting a larger and larger share of the national income.* From 1890 to 1899 prices in England are estimated to have fallen 5 per cent, while wages *of organized workingmen* rose 2 per cent; from 1900 to 1908 prices rose 6 per cent, while these wages fell 1 per cent. A 7 per cent improvement in the first decade was followed by a 7 per cent retrogression in the second — *among organized workers.* (10) There is then no probability that the British unions will check the constant decrease in the share of the total wealth of the country that goes to the wage earner, until they have completed the reversal of older policies now in progress. That this may soon occur is indicated by the great strikes of 1911 (which I shall consider in the next chapter).

The American unions also are beginning to take a more radical and Socialistic attitude. At its Convention at Columbus, Ohio (January, 1911), the United Mine Workers, after prolonged discussion, passed by a large majority an amendment to their constitution, forbidding their officers from acting as members of the Civic Federation. This resolution was confessedly aimed at Mr. John Mitchell, as Vice President of the Civic Federation, and resulted in his resignation from that body. It marks a crisis in the American Labor movement. The Miners' Union had already indorsed Socialism, its Vice President is a party Socialist, and its present as well as its former President vote the Socialist ticket. Having forced the Federation of Labor to admit the revolutionary Western Federation of Miners into the Federation of Labor Congresses, the element opposed to Mr. Gompers and Mr. Mitchell's conservative tactics has, for the first time, become formidable, embracing one third of the delegates, and is likely to bring about great changes within a few years, both as to the Federation's political and as to its labor-union policy.

This action of the Miners was followed a few months later by the election to office of several of Mr. Gompers's Socialist opponents in his own union (the Cigarmakers). Then another of Mr. Gompers's most valued lieutenants (after Mr. Mitchell), Mr. James O'Connell, for many years President of the very important Machinists' Union, was defeated by a Socialist, Mr. W. H. Johnston, — after a very lively contest in which Socialism and the Civic Federation, and their contrasting the labor policies, played a leading part. The old conservative trade unionism is not only going, but it is going so fast that one or two more years like the last would overwhelm it in the national convention of the Federation of Labor and revolutionize the policy of the whole movement.

The change in the political attitude of the American unions has been equally rapid. Until a few years ago the majority of them were opposed to coöperation with any political party. Then they decided almost unanimously to act nationally, and for the time being with the Democrats, and this decision still holds. More recently several local labor parties have been formed, and the Socialist Party has occasionally been supported. The only question that interests us, however, is the purpose behind these changing political tactics.

It is natural that unionists on entering into the Socialist Party should seek to control it. Socialists make no objection at this point. The only question relates to their purpose in seeking control. A prominent Socialist miner, John Walker, has frankly advocated a Labor Party of the British type, while others wish to turn the Socialist Party into that sort of an organization; while the Secretary of the Oklahoma Federation of Labor, on joining the Party said: "Let us get into the Socialist Party — on the inside — and help run it as we think it should be run," and then gave an idea of how he proposed to run it by accusing the Party of containing too many people "who are Socialists before anything else." This is a common feeling among new labor-union recruits in the Party. It is difficult to see the difference between those who share Walker's view and want to carry out the present non-Socialist political program of the unions through a non-Socialist Labor Party and those who, like this other union official, expect to use the Socialist Party for the same purpose. Let us notice the similarity of certain arguments used in favor of each method.

"The Socialist Party," says the organ of the Garment Workers' Union, "does not command the confidence of American labor to the extent of becoming a national power in our day and generation, and it is, therefore, necessary that the working class should turn its attention to the formation of a party that will be productive of practical results in sweeping away the legislative and the legal obstacles that now stand in the way of our rights and progress." (11)

"Much is being written and said nowadays as to the danger of Socialism and in favor of trades unionism," writes the *Mine Workers' Journal*, "To us the condemnation of the Socialists, coming as it does from the capitalistic press, is a reminder that of the two evils to their selfish class interest, they prefer the least. . . . It is useless to attempt to divide trades unionism from Socialism. It cannot be done. They have all learned that their interests are common; they know that labor divided will continue to suffer, and will hang together before they will allow capital to hang them separately.

"Indeed, looking at trades unionism in all its phases and from every angle, we fail to see why Socialism and it should be separated. The man or men in the movement to-day who are not more or less Socialistic in their belief are few and far between and do not know what the principles of unionism are, or what it stands for. We are all more or less Socialistic in our belief." (12)

A perusal of the labor papers in general shows that while a number agree with the Garment Workers a still larger

number share the opinion of the *Mine Workers' Journal.* Yet what is the essential difference?

The Garment Workers' organ claims that the European Socialists and trade unionists support one another's candidates and unite their power without the Socialists demanding the indorsement of their program, and argues for that policy in this country. This statement is not accurate. Only in England, where there has hitherto been no independent Socialist action of any consequence, has there been any such compromise. On the Continent of Europe the Socialists usually agree to leave the unions perfect freedom in their business, and not to interfere in the slightest with their action *on the economic field,* but there is no important instance in recent years where they have compromised with them at the ballot box. And this error is shared by the *Mine Workers' Journal,* which, as I have just shown, is friendly rather than hostile to Socialism. In another editorial in this organ we find it said that "whenever Socialism in America adopts the methods of the British, and other European toilers and pulls in harness with trade unionism, it is bound to make headway faster than at present, because there is scarcely a man in the labor movement that is not more or less of a Socialist." (12) Here again the British (Labor Party) and the Continental (Socialist) methods are confused. It is true that the Socialist parties and the labor unionists everywhere act together. But there are two fundamental differences between the situation in Great Britain and that on the Continent. A large part of the unions on the Continent are extremely radical if not revolutionary in their labor-union tactics, and secondly, the overwhelming majority of their members are Socialists in politics. Surely there could be no greater contrast than that between the swallowing up of the budding Socialist movement by non-Socialist labor unions in Great Britain and the support of the Socialist Party by the revolutionary unionist on the Continent.

In America only a minority of the unions are definitely and clearly Socialist. The local federations of the unions in many of our leading cities have declared for the Party. Among the national organizations, however, only the Western Federation of Miners, the Brewers, the Hat and Cap Makers, the Bakers, and a few others, numbering together no more than a quarter of a million members, have definitely indorsed Socialism. The Coal Miners, numbering nearly

300,000, have indorsed collective ownership of industry, but without saying anything about the Socialist Party. Besides these, the Socialist Party, of course, has numerous individual adherents in every union. On the whole the Socialists are very much outnumbered in the unions, and as long as this condition remains, the majority of Socialists do not desire anything approaching fusion between the two movements.

Half a century ago, it is true, Marx himself favored the Socialists entering into a labor union party in England. He assumed that English unions would soon go into politics, whereas they took half a century to do it; he assumed, also, that when they entered politics they would be more or less militant and independent, and he never imagined that during fifteen years of "independent action" they would oppose revolutionary and militant ideas more than ever, and would even go so far in support of the Liberal Party as almost to bring about a split within their own anti-revolutionary ranks. Certainly Marx expected that they would accept his leading principles, whereas only the smallest minority of the present Labor Party has done so, while the majority has not yet consented to make Socialism an element of the Party's constitution, confining themselves to a broad general declaration in favor of "State Socialism" — and even this not to be binding on its members.

Marx's standard for a workingmen's party was Socialism and nothing less than Socialism. In his famous letter on the Gotha program addressed in 1875 to Bebel, Liebknecht, and others, at the time of the formation of the Socialist Party and perhaps the greatest practical crisis in Marx's lifetime, he said, it will be recalled, that "every step of real movement is more important than a dozen programs," but he was even then against any sacrifice of essential principle. He saw that the workingmen themselves might be satisfied by "the mere fact of the union" of his followers with those of LaSalle, but he said that it was an error to believe that this momentous result could not be bought too dearly, and if any principle was to be sacrificed, he preferred, instead of fusion, "a simple agreement against the common enemy."

While Socialist workingmen, then, are inclined to attach more importance to the Socialist Party than to conservative unionism, they expect the new aggressive, democratic, and revolutionary unionism to do even more for Socialism, at

least in the expected crisis of the future, than the Party itself. The tendency of the unions towards politics is merely an automatic result of the tendency of governments and capitalists towards a certain form of collectivism. Far more significant is their tendency towards Socialism whether through politics or through the strike, the boycott, and other means.

Trade unionism, transferred to the field of politics, is not Socialism. The struggles against employers for more wages, less hours, and better conditions has no necessary relation to the struggle against capitalism for the control of industry and government. The former struggle may evolve into the latter, and usually does so, but long periods may also intervene when it takes no step in that direction. Moreover, a trade union party of the British type, whether it takes the name Socialist or not, if it acts as rival to a genuine Socialist Party, checks the latter's growth.

When revolutionary labor organizations composed largely of genuine Socialists enter into politics, the situation is completely reversed — even when such organizations take the step primarily for the sake of their unions rather than to aid the Socialist Party. This situation I shall consider in the following chapter.

CHAPTER V

SYNDICALISM; SOCIALISM THROUGH DIRECT ACTION OF LABOR UNIONS

In America, France, Italy, and England, as well as in Germany (in a modified form) a new and more radical labor-union policy has been rapidly gaining the upper hand. This new movement — in its purely economic, as well as its political, bearings — is of far greater moment to Socialists than the political tendencies of those unions that continue to follow the old tactics in their direct relations with employers.

In America and in England, unfortunately, the name given to this new movement, "industrial unionism," is somewhat ambiguous. A more correct term would be "labor" unionism as distinct from "trade" unionism, or "class unionism" against "sectional unionism." By "industrial unionism" the promoters of the new movement means that all the employees of a given industry are to be solidly bound together in a single union instead of being divided into many separate organizations as so often happens to-day, and so as to act as a unit against the employer, as, for example, the steel workers, machinists, longshoremen, structural iron workers, etc., are all to be united against the Steel Trust. The essential idea is not any particular form of united action, but united action. Certainly the united action of all the trades at work under a single employer or employers' association is of the first importance, but it is equally important that "industrial" unions so composed should aid one another, that the united railway organizations, for example, should be ready to strike with seamen, dockers, etc., as was done in the recent British strike. An interview with Mr. Vernon Hartshorn, who recently headed the poll in the election for the executive committee of the important South Wales Mining Federation, indicates the tendency in Great Britain at the present moment — when both coal and railway strikes are threatened on a national scale — not merely towards industrial unionism, but towards the far more important

union of industrial unions, which is really the underlying idea in the minds of most, though not all, of the propagandists of "industrial unionism."

"I think it a very silly business," exclaimed Mr. Hartshorn emphatically, "for the workers in different industries to be proceeding with national movements independently of each other. A short time ago we had a national stoppage on the railways; that, as a matter of course, rendered the miners idle. Before that we had something in the nature of a national stoppage in the case of the seamen's dispute; that, also, in many districts paralysed the mining industry and rendered idle the workmen. Now it appears likely that the miners will be taking part in a national stoppage which, in turn, will render the railway men and seamen idle.

"The idea is gradually dawning upon all sections of organized labor that the right thing to do would be for these three unions, through their executives, to establish a working alliance by means of which united action should be taken to secure reforms which would result in the raising of the standard of living of the whole of the workmen employed in these undertakings. Of course the grievances in different trades differ considerably in points of detail, but they all have a common basis in that they relate to wages and conditions of work. If the three organizations could be got to act together with a view of establishing a guaranteed minimum wage for all workmen employed, then not all the forces of the Crown, nor all the powers of government, could prevent them from emancipating themselves from their present deplorable position." (1)

It is equally necessary for the unions in order to obtain maximum results that a special relation should be established between the members of such trades as are to be found in more than one industry. Teamsters, stationary engineers, machinists, and blacksmiths, for example, whether employed by mines, railways, or otherwise, can aid one another in obvious ways — as by securing positions for blacklisted men and preventing non-unionists from obtaining employment — by means of a special "trade" organization or federation that cuts across the various "industrial" unions or federations. All this, indeed, is provided for in the plans of the "industrial unionists," in the idea of gradually reorganizing the present loose Federation of Labor into "a union of unions," or, as they express it, "One Big Union." This last term also is not very fortunate, for it is by no means proposed to form one absolutely centralized organization, like the former Knights of Labor, but to preserve a considerable measure

of autonomy for the constituent industrial unions. Neither does the new unionism require, as some of its exponents allege, the abolition of the older *trade* unions, either local or national, but only that all unions shall be democratically organized and open to unskilled labor, and that the general organization, of which they are all a part, shall be the first consideration, and the local groupings whether by trade or industry only secondary.

The principle of the new union policy is exactly the same translated into terms of economic action, as the principle of revolutionary Socialism as conceived by Marx, and hitherto applied by Socialists chiefly on the political field. In the Communist Manifesto Marx says that the chief thing that distinguishes the Socialists from the other working-class parties is that the former "always and everywhere represent the interests of the movement as a whole." So while the older unions represented the economic struggle of certain more or less extensive parts of the working class, the industrial unionists aim at a unionism that represents the whole of the working class, and, since the ranks of labor are always open, all non-capitalist humanity. A closely organized federation of all the unions will rely very strongly upon numbers and embrace a large proportion of unskilled workers. It will, therefore, be forced to fight the cause of the common man. But this can only be done by fighting against every form of oppression and privilege — all of which bear on the men at the bottom.

The industrial policy idea has received its most remarkable indorsement in the great British railway strike of 1911. Before showing what lay behind this epoch-making movement, let me refer to the great change in the British Union world that preceded it.

In 1910 there occurred an unprecedented series of strikes in the four larges industries of the country, the railroads, shipbuilding, cotton, and coal-mining — all within a few months of one another, *and all against the advice of the officials of the unions.* The full and exact significance of this movement was seen when the hitherto conservative Trade Union Congress, after a very vigorous debate, decided, on the motion of Ben Tillett, to take a referendum of the unions on the question of the "practicability of a confederation of all trades" and on the "*possibility of terminating all trade agreements on a given date after each year.*"

In the same year a great agitation began, led by the most prominent advocate of industrial unionism in Great Britain, the Socialist, Tom Mann, who with John Burns had been one of the organizers of the great dockers' strike in 1886, and who had returned, in 1910, from many years of successful agitation in Australia to preach the new unionism in his home country. That this agitation was one of the causes of the great seamen's, dockers', and railway strikes that followed is indicated by the fact that Mr. Mann was at once given the chief position in this movement.

His first principle is that the unions should include *all* the workers, in their respective industries: —

"Skilled workers, in many instances doing but little work, receive from two to seven or eight pounds a week, whilst the laborer, having the same responsibilities as regards family and citizenship, is compelled to accept one third of it or less.

"This must not be. We must not preach social equality and utterly fail to practice it; and for those receiving the higher pay to try and satisfy the demands of the lower-paid man for better conditions by telling him it will be put right under Socialism, is on a par with the parson pretending to assuage the sufferings of the poverty-stricken by saying, 'It will be better in the next world.' It must be put right in *this* world, and we must see to it *now*."

Unions composed exclusively of skilled workers, as many of the present ones, operate against the interests of the less skilled — often without actually intending to do so. Mr. Mitchell, for instance, concedes that the trade unions bring about "the elimination of men who are below a certain fixed standard of efficiency." This argument will appeal strongly to employers and believers in the survival of the fittest doctrine. But it will scarcely appeal to the numerous unskilled workers eliminated, or the still more numerous workers whose employment is thus lessened at every slack season. Mr. Edmond Kelly shows how the principle acts — "Where there is a minimum wage of $4 a day the workman can no longer choose to do only $3 worth of work and be paid accordingly, but he must earn $4 or else cease from work, at least in that particular trade, locality, or establishment." (2) The result is that the highest skilled workmen obtain steady employment through the union, while the less skilled are penalized by underemployment. The unions have equalized daily wages, but the employer has replied by making employ-

ment and therefore annual wages all the more unequal, and many of the workers may have lost more than they gained. Whereas if each man could secure an equal share of work, he might be paid according to his efficiency and yet be far better off than now. But the only way to secure an equal amount of work for all is through a union where all have an equal voice and where the union is strong enough to have a say as to who is to be employed.

It is this tendency either automatically or intentionally actually to injure unskilled labor, that has led men like Mann and Debs and Haywood to their severe criticism of the present policies of the unions, and even affords some ground for Tolstoi's classification of well-paid artisans, electricians, and mechanics among the exploiters of unskilled labor. In the days of serfdom, the great writer said, "Only one class were slave owners; all classes, except the most numerous one — consisting of peasants who have too little land, laborers, and workingmen — are slave-owners now." The master class, Tolstoi says, to-day includes, not only "nobles, merchants, officials, manufacturers, professors, teachers, authors, musicians, painters, rich peasants, and the rich men's servants," but also "well-paid artisans, electricians, mechanics," etc.

Mr. Mann thus defines the attitude of this new unionism to the old: —

"It is well known that in Britain, as elsewhere, there is only a minority of the workers organized; of the ten millions of men eligible for industrial organization only one fourth are members of trade unions; naturally these are, in the main, the skilled workers, who have associated together with a view to maintaining for themselves the advantage accruing to skilled workers, when definite restrictions are placed upon the numbers able to enter and remain in the trades.

"We have had experience enough to know that the difficulties of maintaining a ring fence around an occupation, which secures to those inside the fence special advantages, are rapidly increasing, and in a growing number of instances, the fence has been entirely broken down by changes in the methods of production. We know, further, that . . . the majority of trade unionists still remain *sectionally isolated*, powerless to act except in single sectional bodies, and incapable of approaching each other and merging and amalgamating forces for common action. *This it is that is responsible for the modern practice of entering into lengthy agreements between employers and workers. Sectional trade unions being incapable of offensive*

action, and gradually giving way before the persistent power of the better organized capitalist class, they fall back upon agreements for periods of from two to five years, during which time they undertake that no demands shall be made." (My italics.)

The industrialists, therefore, advocate the termination of all wage agreements simultaneously and at short intervals or even at will (like tenancies at will, or call loans). They claim that employers are practically free to terminate *existing agreements* whenever they please, as they can always find grounds for dismissing individuals or for temporarily shutting down their works or for otherwise discriminating against active unionists or varying the terms of a contract before its expiration. But it is in America that the policy of no agreements, or agreements at will is most advanced. In Great Britain it is thought that agreements for one year and all ending on the same day may lead to the same results. If there is a central organization with power to call strikes on the part of any combination of unions, and the large majority of the workers are organized, it is held that the new unionism will soon prove irresistible, even if agreements in this form are retained.

The recent strikes have not only been stimulated by this gospel and led by its chief representatives, Tom Mann, Ben Tillett, and others, but from the very first they have been an actual application of the new idea and have marked a long step towards the complete reorganization of the British unions. They were started with the seamen's strike in June, when the dockers in many places struck in sympathy, at the same time adding demands of their own. When the seamen won their strike, they refused to go back to work at several points, against the advice of their conservative officials, until the dockers received what they were striking for. With the dockers were involved teamsters, and these from the first had agreed to support one another, for *they were both connected with Mr. Mann's "National Transport Workers' Federation."* And the railway strike was largely due to the fact that the railway unions decided at least *to coöperate* with this federation. The dockers had remained on strike at Liverpool in sympathy with the railway porters who had struck in the first instance to aid the dockers, and at the first strike conference of the railway union officials, forty-one being present, it was voted unanimously "that the union was

determined not to settle the dispute with the companies unless the lockout imposed upon their co-workers because of their support of the railroad men at Liverpool and elsewhere is removed and all the men reinstated."

There can be little doubt that the railway strike would neither have taken place at the critical time it did, nor have gone as far as it went, except for this new and concerted action which embraced even the least skilled and least organized classes of labor.

Accompanying this movement toward common action, "solidarity" of labor, and more and more general strikes, was the closely related reaction against existing agreements — on the ground that they cripple the unions' power of effective industrial warfare. For several years there had been a simultaneous movement on the part of the "State Socialist" government towards compulsory arbitration, and among the unions against any interference on the part of a government over which they have little or no control — the railway strike being directed, according to the unionists, as much against the government as against the railways. For many years the government, represented by Mr. Lloyd George or Mr. Winston Churchill, had acted as arbitrator in every great industrial conflict, and had secured many minor concessions for the unions. As long as no critical conflict occurred that might materially weaken either the government or the capitalist or employing classes as a whole, this policy worked well. It was only by a railway strike, or perhaps by a seamen's or miners' strike that it could be put to a real test. By the settlement of the threatened railway strike of 1907 the employees had gained very little, and had *voluntarily* left the final power to decide disputes in the hands of government arbitrators. A conservative Labourite, Mr. J. R. MacDonald, writing late in 1910, said: —

"We held at the time that the agreement which Mr. Bell accepted on behalf of the Railway Servants would not work. It was a surrender. The railway directors were consulted for days; they were allowed to alter the terms of agreement at their own sweet will, and when they agreed, the men's representatives were asked to go to the Board of Trade and were told that they could not alter a comma, could not sleep over the proposal, could not confer with any one about it, had to accept it there and then. In a moment of weakness they accepted. An agreement come to in such a way was not likely to be of any use to the men." (3)

Nevertheless, this extremely important settlement was accepted by the union. Mr. Churchill did not know how to restrain his enthusiasm for unions that were so good as to fall in so obediently with his political plans. "They are not mere visionaries or dreamers," says Churchill, "weaving airy Utopias out of tobacco smoke. They are not political adventurers who are eager to remodel the world by rule of thumb, who are proposing to make the infinite complexities of scientific civilization and the multitudinous phenomena of great cities conform to a few barbarous formulas which any moderately intelligent parrot could repeat in a fortnight. The fortunes of trade unions are interwoven with the industries they serve. The more highly organized trade unions are, the more clearly they recognize their responsibilities." (4)

By 1911 the whole situation was completely reversed. Over less important bodies of capitalists and employers than the railways, the government had power and a will to exercise its power. The railways, however, are practically a function of government — absolutely indispensable if it is to retain its other powers *undiminished.* It was for this reason that little if any governmental force was used against them, and the agreement of 1907 came to be of even less value to the men than agreements made in other industries. When the chorus of union complaints continued to swell, and the men asked the government to bring pressure on the railways, at least to meet their committee, it acknowledged itself either unable or unwilling to take any effective action unless to renew the offer to appoint another royal commission, essentially of the same character as that of 1907 except that it should be smaller and should act more speedily. This still meant that the third member of the board was to be appointed by a government, in which experience had taught the workers they could have no confidence — *at least in its dealings with the powerful railways.*

In view of this inherent weakness of the government, or its hostility to the new and aggressive unionism, or perhaps a combination of both, the unions had no recourse other than a direct agreement or a strike. But the refusal of the railways to meet the men left no alternative other than the strike, and at the same time showed that they did not much fear that the unions could strike with success. It was no longer a question of the justice or injustice, truth or untruth, of the unions' claims. The railways, in a perfectly practical

and businesslike spirit, questioned the power of the unions, by means of a strike, to cause them sufficient damage to make it profitable even to meet their representatives — without the presence of a government representative, who, they had learned by experience, would in all probability take a position with which they would be satisfied. Mr. Asquith's offer, then, to submit the "correctness" of the unions' statements and the "soundness" of their contentions to a tribunal, was entirely beside the point. The representatives of the railways were sure to give such a tribunal to understand, however diplomatically and insidiously, that the unions were without that power, which alone, in the minds of "practical" men, can justify any considerable demand, such as the settlement of all questions through the representatives of the men (the recognition of the union).

Doubtless the railways had refused to meet the union representatives until they felt assured that the government's position would on the whole be satisfactory to them. The government's real attitude was made plain when, after the refusal of the unions practically to leave their whole livelihood and future in its hands, as in 1907, it used this as a pretext for taking sides against them — not by prohibiting the strike, but by limiting more and more narrowly the scope it was to be allowed to take.

The government loudly protested its impartiality, and gave very powerful and plausible arguments for interference. But the laborers feel that the right not to work is as essential as life itself, and all that distinguishes them essentially from slaves, and that no argument whatever is valid against it. Let us look at a few of the government statements: —

The government, said the Premier, was perfectly impartial in regard to the merits of the various points of dispute. The government had regard exclusively for *the interests of the public*, and having regard for those interests they could not allow the paralysis of the railway systems throughout the country, and would have to take the necessary steps to prevent such paralysis.

The representatives of the unions replied by a public statement, in which they declared that this was an "unwarrantable threat" and an attempt to put the responsibility for the suspension of work on the unions: —

"We consider the statement made in behalf of his Majesty's government, *an unwarrantable threat* uttered against the railroad

workers who for years have made repeated applications to the Board of Trade and also to Parliament to consider the advisability of amending the conciliation board scheme of 1907. . . . And further it shows a failure of the Board of Trade to amend its own scheme, and also of the railroad companies to give an impartial and fair interpretation of such schemes. . . . And inasmuch as this joint meeting has already urged the employers to meet us with a view to discussing the whole position and which, if agreed to by them, would in our opinion have settled the matter, *we therefore refuse to accept the responsibility the government has attempted to throw upon us*, and further respectfully but firmly ask his Majesty's government whether the responsibility of the railroad companies is in any degree less than that of other employers of labor."

In other words, there is and can be no law compelling men to labor, and no matter what the consequences of their refusal to work, it is a matter that concerns the workers themselves more than all other persons.

Mr. Winston Churchill made a more detailed statement. He said that "the government was taking all necessary steps to make sure that the *food supply as well as fuel and other essentials* should not be interrupted on the railways or at the ports."

"All services vital to the community should be maintained, and the government would see to that, not because they were on the side either of the employers or the workmen, but because they were bound to protect the public from the danger that a general arrest of industry would entail." He continued:—

"The means whereby the people of this land live are highly artificial, and a serious breakdown would lead to starvation among a great number of poorer people. Not the well-to-do would suffer, but the poor of the great cities and those dependent upon them, who would be quite helpless if the machinery by which they are fed — *on which they are dependent for wages* — was thrown out of gear.

"The government believes that the arrangements made for working the lines of communication, and for the maintenance of order, will prove effective; but, if not, other measures of even larger scope will be taken promptly. It must be clearly understood that there is no escape from these facts, and, as they affect the supply of food for the people, and *the safety of the country, they are far more important than anything else.*"

To this the railway workers answered that it is to protect their own food that they strike, and that food is as important to them as to others, that practically all those who are dependent on wages are willing to undergo the last degree of suffer-

ing to preserve the right to strike, that the means of livelihood of this majority are no whit less important than the "safety" of the rest of the country. Moreover, if the government is allowed to use military or other means to aid the railways to transport food, fuel, and other things, more or less essential, it prevents that very "paralysis" which is the necessary object of every strike. Industrial warfare of this critical kind must indeed be costly to the whole community, often endangering health and even life itself, but the workers are almost unanimous in believing that a few days or weeks of this, repeated only after years of interval, costs far less in life and health than the low wages paid to labor year after year and generation after generation. *They demand the right to strike unhampered by any government in which capitalistic or other than wage-earning classes predominate.* Only when the government falls into the hands of a group of wholly non-capitalist classes — of which wage earners form the majority — will they expect it to grant such rights and conditions as are sufficient to compensate them for parting with any element of the right to strike.

The great British strike, then, had a double significance. It showed the tremendously increased strength of labor when every class of workers is organized and all are united together, and it showed an increasing unwillingness to allow separate agreements to stand in the way of general strikes.

The strength of the strikers in the British upheaval of 1911, however, has been grossly exaggerated on both sides. There is no doubt that the aggressive action came from the masses of the workers, as their leaders held them back in nearly every instance. There is no question that the various unions coöperated more than usual, that vast masses of the unskilled were for the first time organized, and that these features won the strikes. The advance was remarkable — but we can only measure the level reached if we realize the point from which the start was made. As a matter of fact, the unskilled labor of Great Britain until 1911 was probably worse paid and less organized than that of any great manufacturing country — and the advance made by no means brings it to the level of the United States.

Since the great dock strike of 1886, led by John Burns and Tom Mann, unskilled labor has tried in vain to organize effectively unions like those of the seamen and railway servants, the majority of whose members were neither of the least skilled nor of the most skilled classes, had an uphill fight, and were only able to organize a part of the workers. Five dollars a week was considered such a high and satisfactory wage by the wholly unskilled (dockers, etc.) that it was

often made the basis of their demands. The Board of Trade Report shows that 400,000 railwaymen, including the most skilled, had from 1899 to 1909 an average weekly wage varying from $6.35 to $6.60 per week. The railway union found that of a quarter of a million men 39 per cent got less than $5 a week, and 89 per cent less than $7.50. Seamen at Liverpool received from $20 to $32.50 a month.

If then the Liverpool sailors received an increase of $2.50 a month, while the wages of other strikers were raised on the average about 20 per cent, what must we conclude? Undoubtedly the gain was worth all the labor and sacrifice it cost. But it must be remembered, first, that these wages are still markedly inferior to those of this country in spite of its hordes of foreign labor; and second, that the increase is little if any above the rise in the cost of living in recent years, and will undoubtedly soon be overtaken by a further rise. The great steamship lines increased their rates on account of the strike almost the same week that it was concluded, and the railway companies gave in only when the government consented that they should raise their rates. But the larger part of the consumers are workingmen, and their cost of living is thus rising more rapidly than ever *on account of the strikes*. Finally, the unions of the unskilled are as a rule not yet recognized by their employers, while the railway union is probably as completely at the mercy of the government as ever.

In a word, *the point reached* is by no means very advanced; on the other hand, *the material gain made* in view of the former backwardness of the railwaymen, seamen, and dockers is highly important for England, while the methods employed, the movement having originated from below, and having been sustained against conservative leaders (only a few radicals like Tom Mann and Ben Tillett being trusted), is of world-wide significance. The unions as well as their common organizations, the Trade Union Congress, the Labour Party, and the General Federation of Trade Unions are drawing closer together, while the Socialists and revolutionary unionists are everywhere taking the lead — as evidenced, for example, by the election of the most radical Socialist member of Parliament, Mr. Will Thorne, to be President of the 1912 Trade Union Congress.

The success of the new movement as against the older Labour Party and trade union tactics may also be seen from the disturbed state of mind of the older leaders. Take, for example, the attack of the Chairman of the Labour Party, Mr. J. R. MacDonald: —

"The new revolution which Syndicalism and its advocates of the Industrial Workers of the World contemplate has avoided none of the errors or the pitfalls of the old, but it has added to them a whole series of its own. It has never considered the problems which it has to meet. It is, as expressed in the *Outlook* of this month, a mere escapade of the nursery mind. It is the product of the creative intelligence of the man who is impatient because it takes the earth twenty-four hours to wheel around the sun (sic). . . . The hospi-

tality which the Socialist movement has offered so generously to all kinds of cranks and scoundrels because they professed to be in revolt against the existing order has already done our movement much harm. Let it not add Syndicalism to the already too numerous vipers which, in the kindness of its heart, it is warming on its hearthstones." (5) [See note at end of chapter.]

The new revolutionary unionism takes different forms in Great Britain, France, and America. In France it has expressed itself through agitation for the general strike and against the army, the only thing that a general strike movement has to fear. The agitation has completely captured the national federation of unions, has a well-developed literature, a daily paper (*La Bataille Syndicaliste* — The Union Battle, — established in 1911), and has put its principles into effect in many ways, especially by more numerous and widespread strikes and by attacks on military discipline. But there has been no strike so nearly general as the recent British one, and both the efforts in this direction and those directed against the army have a future rather than a present importance and will be considered in succeeding chapters (Part III, Chapters VI and VII).

In America the new movement first appeared several years ago in the very radical proposal indorsed at the time by Debs, Haywood, and many prominent Socialists, to replace the older unions by a new set built on entirely different principles, including organizations of the least skilled, and the solid union of all unions for fighting purposes. This movement took concrete form in a new organization, the Industrial Workers of the World, which was launched with some promise, but soon divided into factions and was abandoned by Debs and others of its organizers. It has grown in strength in some localities, having conducted the remarkable struggles at McKees Rocks (Pa.) and Lawrence (Mass.), but is not at present a national factor — which is in part due, perhaps, to the fact that the older unions are tending, though gradually, towards somewhat similar principles.

Not only is Socialism spreading rapidly in all the unions, but along with it is spreading this new unionism. For many years the Western Federation of Miners, famous as the central figure in all the labor wars in the Rocky Mountain States, was the most powerful union in this country that was representative both of revolutionary Socialism and of revolutionary unionism. But it was not a part of the American

Federation of Labor. When it became closely united with the Coal Miners, and the latter union forced its admission into the American Federation of Labor (in 1911), it at once began a campaign for its principles inside this organization. It now stands for two proposals, the first of which would solidly unite all the unions, and the second of which would cut all bonds between labor and capital. Neither is likely to be adopted this year, but both seem sure of a growing popularity and will in all probability result in some radical and effective action within a very few years.

In its Convention of July, 1911, the Western Federation of Miners decided to demand of the Federation of Labor the free exchange of membership cards among all its constituent unions. Thus the unions would preserve their autonomy, but every member would be free, when he changed his employer, to pass from one to the other without cost. The result would be that quarrels between the unions over members would lessen automatically, and also admission fees, dues, and benefits would tend towards a level. Thus all the things that keep the unions apart and prevent common action against the employer would be gradually removed, and the tendency of certain unions to ignore the interests of others reduced to a minimum. The plan is practical, because it has already been in successful operation for many years in France.

Another new policy — which should be regarded as a supplementary means for bringing about the same result — would be to so strengthen and democratize the general Federation as to allow great power to be placed in the hands of the executive, and at the same time subject it to the direct control of the combined rank and file of all the unions. If, for example, national Federation officials were elected, instructed, and recalled by a vote of all the unionists in the country, the latter would probably be willing to place in the hands of such an executive power to call out the unions in strike in such combinations as would make the resistance of employers most difficult, and power to control national strike funds collected from all the unions for these contests. Unions with a specially strong strategic situation in industry and a favored situation in the Federation are not yet ready to forego their privileges for this form of direct democracy, but the tendency is in this direction. (Since these lines were first written the Federation has taken

steps towards the adoption of this plan of direct election of its officials by national referendum.)

Indeed, when the Western Miners' second proposal, the refusal to sign agreements for any fixed period, is adopted, this simultaneous centralization and democratization of the Federation may proceed apace. As long as the various unions are bound to the employers by an entirely separate and independent agreement terminable at different dates, it is impossible to arrange strikes in common, especially when the more fortunate unions adopt an entirely different plan of organization and an entirely different policy from the rest. The Western Miners now propose that all agreements be done away with, a practice they had followed long and successfully themselves — with the single tacit exception of the employees of the Smelter Trust (Guggenheim's). This exception they have now done away with. Their fundamental idea is that as long as the capitalist reserves his right to close down his works whenever he believes his interests or those of capital require it, every union should reserve its right to stop work at any moment when the interests of the union or of labor require it. Temporary arrangements are entered into which are binding as to all other matters except the cessation of work. That this cessation would not occur in any well-organized union over trifles goes without saying — strikes are tremendously costly to labor. The agreement binds in a way perfectly familiar to the business world in the call loan or the tenancy at will.

President Moyer of the Western Federation (one of those Mr. Roosevelt called an "undesirable citizen" at the time when he was on trial in Idaho, accused of being an accomplice in the murder of Governor Steunenburg) explained that his union knew that agreements might bring certain momentary advantages which it would otherwise lose, that it had often been in a position to win higher wages through an agreement, and in three cases even to gain a seven-hour day. But by such action, he declared the union would have surrendered its freedom. It would have been tied hand and foot, whereas now it was free to fight whenever it wanted to. If working people want to be united and effective, he concluded, they must have the fullest freedom of action. This would always pay in the end.

In view of the great advance in the organization and fighting spirit of labor secured by this new kind of industrial war-

fare, some revolutionary unionists even expect it to do more to bring about Socialism than the Socialist parties themselves. Indeed, a few have gone so far as to regard these parties as almost superfluous. Many of the new revolutionary unionists, though Socialists by conviction, attach so little importance to political action that they have formed no connection with the Socialist parties, and do not propose to do so. Others feel the necessity of some political support, and contend that any kind of an exclusively labor union party, even if it represents anti-revolutionary unions like most of those of the Federation of Labor, would serve this purpose better than the Socialist Party, which belongs less exclusively to the unionists.

An American revolutionary unionist and Socialist, the late Louis Duchez, like many of his school, not only placed his faith chiefly in the unskilled workers, either excluding the skilled manual laborers and the brain workers, or relegating them to a secondary position, but wanted the new organizations to rely almost entirely on their economic efforts and entirely to subordinate political action. The hours of labor are to be reduced, child labor is to be abolished, and everything is to be done that will tend to diminish competition between one workingman and another, he argued, with the idea of securing early control of the labor market. Through labor's restriction of output, production is to be cut down and the unemployed are to be absorbed. Thus, he declared, "*a partial expropriation of capital is taking place*" and "*this constructive program is followed until the workers get all they produce.*" (6)

Here is an invaluable insight into the underlying standpoint of some of these anti-political "syndicalists," to use a term that has come to us from France. Nothing could possibly be more alien to the whole spirit of revolutionary Socialism than these conclusions. The very reason for the existence of Socialism is that Socialists believe that the unions cannot control the labor market in present society. The Socialists' chief hope, moreover, is that economic evolution will make possible and almost inevitable the transformation of a capitalist into a Socialist society; it is then to their interest not to retard the development of industry by the restriction of output, but to advance it. Indeed, Mr. Duchez's philosophy is not that of Socialist labor unionism, but of anarchist labor unionism, and there have been strong

tendencies in many countries, not only in France and Italy, but also in the United States, especially among the more conservative unions, to be guided by such a policy. It is the essence of Mr. Gompers's program, as I have shown, to claim that "a partial expropriation of capital" is taking place through the unions, and that by this means, *without any government action,* and *without any revolutionary general strike* the workers will gradually "get all they produce." According to the Socialist view, such a gradual expropriation can only *begin* after a *political and economic* revolution, or when, on its near approach, capitalists prefer to make vital concessions rather than to engage in such a conflict.

The leading Socialist monthly in America, the *International Socialist Review,* which has indorsed the new unionism, has even found it necessary recently to remind its readers that the Socialist Party does after all play a certain rôle and a more or less important one, in the revolutionary movement. "Representative revolutionary unionists, like Lagardelle of France and Tom Mann of Australia," said the *Review,* "point out the immense value of a political party *as an auxiliary* to the unions. A revolutionary union without the backing of a revolutionary party will be tied up by injunctions. Its officers will be kidnapped. Its members, if they defy the courts, will be corralled in bull pens or mowed down by Gatling guns.

"A revolutionary party, on the other hand, if it pins its hopes mainly to the passing of laws, tends always to degenerate into a reform party. Its 'leaders' become hungry for office and eager for votes, even if the votes must be secured by concessions to the middle class. In the pursuit of such votes it wastes its propaganda on immediate demands."

The *Review* adds, however, that a non-political menace of revolution does ten times as much for reforms as any political activity; which can only mean that in its estimation revolutionary strikes, boycotts, demonstrations, etc., are of ten times higher present value than the ballot.

Mr. Tom Mann seems also to subordinate political to labor union action: "Experience in all countries shows most conclusively that industrial organization, intelligently conducted, is of much more moment than political action, for, entirely irrespective as to which school of politicians is in power, capable and courageous industrial activity forces from the politicians proportionate concessions. . . . Indeed,

it is obvious that a growing proportion of the intelligent pioneers of economic changes are expressing more and more dissatisfaction with Parliament and all its works, and look forward to the time when Parliaments, as we know them, will be superseded by the people managing their own affairs by means of the Initiative and the Referendum." (7) The last sentence shows that Mr. Mann had somewhat modified his aversion to politics, for the Initiative and Referendum is a political and not an economic device. His objection to politics in the form of parliamentarism (that is, trusting everything to elected persons, or *representatives*) as distinguished from direct democracy, would probably meet the views of the majority of Socialists everywhere (except in Great Britain).

A later declaration of Mr. Mann after his return from Australia to England shows that he now occupies the same ground as Debs and Haywood in America — favoring a revolutionary party as well as revolutionary unions: —

"The present-day degradation of so large a percentage of the workers is directly due to their economic enslavement; and it is economic freedom that is demanded.

"Now Parliamentary action is at all times useful, in proportion as it makes for economic emancipation of the workers. But Socialists and Labour men in Parliament can only do effective work there in proportion to the intelligence and economic organization of the rank and file. . . .

"Certainly nothing very striking in the way of constructive work could reasonably be expected from the minorities of the Socialists and Labour men hitherto elected. But the most moderate and fair-minded are compelled to declare that, not in one country but in all, a proportion of those comrades who, prior to being returned, were unquestionably revolutionary, are no longer so after a few years in Parliament. They are revolutionary neither in their attitude towards existing society nor in respect of present-day institutions. Indeed, it is no exaggeration to say that many seem to have constituted themselves apologists for existing society, showing a degree of studied respect for bourgeois conditions, and a toleration of bourgeois methods, that destroys the probability of their doing any real work of a revolutionary character.

"I shall not here attempt to juggle with the quibble of 'Revolution or Evolution,' — or to meet the contention of some of those under consideration that it is not Revolution that is wanted. 'You cannot change the world and yet not change the world.' *Revolution is the means of, not the alternative to, Evolution.* I simply state that a working-class movement that is not revolutionary in character, is not of the slightest use to the working class." (8)

If Mr. Mann later resigned from the British Social Democratic Party, this was in part due to the special conditions in Great Britain, as he said at the time, and partly to his Australian experience of the demoralizing effects of office seeking on the Labour Party there. Mann stands with Hervé in the French Party and Debs and Haywood in the American. The reasons given for his withdrawal from the British Party embody the universal complaint of revolutionary unionists against what is everywhere a strong tendency of Socialist parties to become demoralized like other political organizations. Mr. Mann, in his letter of resignation, said: —

"After the most careful reflection I am driven to the belief that the real reason why the trade unionist movement of this country is in such a deplorable state of inefficiency is to be found in the fictitious importance which the workers have been encouraged to attach to parliamentary action.

"I find nearly all the serious-minded young men in the Labour and Socialist movement have their minds centered upon obtaining some position in public life, such as local, municipal, or county councilorship, or filling some governmental office, or aspiring to become a member of Parliament.

"I am driven to the belief that this is entirely wrong, and that economic liberty will never be realized by such means. So I declare in favor of Direct Industrial Organization, not as *a* means but as *the* means whereby the workers can ultimately overthrow the capitalist system and become the actual controllers of their own industrial and social destiny."

There is little disagreement among Socialists that "Direct Industrial Organization" is likely to prove the most important means by which "the workers can ultimately overthrow the capitalist system." This, the "industrial unionism" of Debs and Haywood and Mann, is to be sharply distinguished from French "syndicalism" which undermines all Socialist political action and all revolutionary economic action as well, by teaching that even to-day by direct industrial organization — without a political program or political support, and without a revolution — "a partial expropriation of capital is taking place."

The advocates of revolutionary labor unionism in America for the most part are not allowing the new idea to draw away their energies from the Socialist Party; it merely serves to emphasize their hostility to the present unaggressive policy

of the Executive American Federation of Labor and some of the unions that compose it.

Mr. Haywood (another of Mr. Roosevelt's "undesirable citizens") urges the working class to "become so organized on the economic field that they can take and hold the industries in which they are employed." This view might seem to obviate the need of a political party, but Mr. Haywood does not regard it in that light. He says: —

"There is justification for political action, and that is, to control the forces of the capitalists that they use against us; to be in a position to control the power of government so as to make the work of the army ineffective. . . . That is the reason that you want the power of government. That is the reason that you should fully understand the power of the ballot.

"Now, there isn't any one, Socialist, S.L.P., Industrial Worker, or any other working man or woman, no matter what society you belong to, but what believes in the ballot. There are those — and I am one of them — who refuse to have the ballot interpreted for them. I know or think I know the power of it, and I know that the industrial organization, as I have stated in the beginning, is its broadest interpretation. I know, too, that when the workers are brought together in a great organization they are not going to cease to vote. That is when the workers will *begin* to vote, to vote for directors to operate the industries in which they are all employed."

In the recent pamphlet, "Industrial Socialism," Mr. Haywood and Mr. Frank Bohn develop the new unionism at greater length. Their conclusions as to politics are directed, not against the Socialist Party, but against its non-revolutionary elements: —

"The Socialist Party stands not merely for the POLITICAL supremacy of labor. It stands for the INDUSTRIAL supremacy of labor. Its purpose is not to secure old age pensions and free meals for school children. Its mission is to help overthrow capitalism and establish Socialism.

"The great purpose of the Socialist Party is to seize the powers of government and thus prevent them from being used by the capitalists against the workers. With Socialists in political offices the workers can strike and not be shot. They can picket shops and not be arrested and imprisoned. . . . To win the demands made on the industrial field it is absolutely necessary to control the government, as experience shows strikes to have been lost through the interference of courts and militia. The same functions of government, controlled by a class conscious working class, will be used to inspire

confidence and compel the wheels of industry to move in spite of the devices and stumblingblocks of the capitalists. . . .

"Socialist government will concern itself entirely with the shop. Socialism can demand nothing of the individual outside the shop. . . . It has no concern with the numberless social reforms which the capitalists are now preaching in order to save their miserable profit system.

"Old age pensions are not Socialism. The workers had much better fight for higher wages and shorter hours. Old age pensions under the present government are either charity doled out to paupers, or bribes given to voters by politicians. Self-respecting workers despise such means of support. Free meals or cent meals for poverty-stricken school children are not Socialism. Industrial freedom will enable parents to give their children solid food at home. Free food to the workers cuts wages and kills the fighting spirit."

The American "syndicalists" are not opposed to political action, but they want to use it *exclusively* for the purposes of industrial democracy.

While Messrs. Haywood and Bohn by no means take an anarchistic position, they show no enthusiasm for the capitalist-collectivist proposals that *present governments* should take control of industry. They are not hostile to all government, but they think that democracy applied directly to industry would be all the government required: —

"In the shop there must be government. In the school there must be government. In the conduct of the great public services there must be government. We have shown that Socialism will make government democratic throughout. The basis of this freedom will be the freedom of the individual to develop his powers. People will be educated in freedom. They will work in freedom. They will live in freedom. . . .

"Socialism will establish democracy in the shop. Democracy in the shop will free the working class. The working class, through securing freedom for itself, will liberate the race."

Even the American "syndicalists," however, attach more importance to economic than to political action. Hitherto revolutionary Socialists have agreed that the only constructive work possible *under capitalism* was that of education and organization. The "syndicalists" also agree that nothing peculiarly socialistic can be done to-day by *political* action, but they are reformists as to the immediate possibilities of *economic* action. Here they believe revolutionary principles can be applied even under capitalism. Even the conserva-

tive and purely businesslike effort to secure a little more wages by organized action, they believe, can be converted here and now into a class struggle of working class *vs.* capitalists. What is needed is only organization of all the unions and a revolutionary policy. With the possibilities of a revolutionary union policy when capitalism has largely exhausted its program of political reforms and economic betterment and when Socialism has become the political Opposition, I deal in following chapters. But syndicalists, even in America, say revolutionary tactics can be applied now — Mr. Haywood, for instance, feels that the only thing necessary for a successful revolutionary and Socialistic general strike in France or America to-day, is sufficient economic organization.

Mr. Debs admits the need of revolutionary tactics as well as revolutionary principles and even says: "We could better succeed with reactionary principles and revolutionary tactics than with revolutionary principles and reactionary tactics." He admits also that Socialists and revolutionary unionists are inspired with an entirely new attitude towards society and government and indorses as *entirely sound* certain expressions from Haywood and Bohn's pamphlet which had been violently attacked by reformist Socialists and conservative unionists. Mr. Debs agrees with the former writers in their definition of the attitude of the Socialist revolutionist's attitude towards property: "He retains absolutely no respect for the property 'rights' of the profit takers. He will use any weapon which will win his fight. He knows that the present laws of property are made by and for the capitalists. Therefore he does not hesitate to break them." But he does not agree that this new spirit offers any positive contribution to Socialist tactics at the present time. Just as Hervé has recently admitted that the superior political and economic organization of the Germans were more important than all the "sabotage" (violence) and "direct action" of the French though he still favors the latter policies, so the foremost American revolutionary opposes "direct action" and "sabotage" altogether under present conditions. Both deny that revolutionary economic action under capitalism is any more promising than revolutionary political action. Even Hervé defends his more or less friendly attitude to "direct action" wholly on the ground that it is good *practice* for revolution, not on Lagardelle's syndicalist ground that it means the beginning of revolution itself (see below).

By much of their language Haywood and several industrial unionists of this country would seem to class themselves rather with Lagardelle and Labriola (see below) than with Hervé, Debs, and Mann. Haywood, for example, has said that no Socialist can be a law-abiding citizen. Haywood's very effective and law-abiding leadership in strikes at Lawrence (1912) and elsewhere would suggest that he meant that Socialists cannot be law-abiding by principle and under all circumstances. But this statement as it was made, together with many others, justifies the above classification. Debs, on the contrary, claims that the American workers are law-abiding and must remain so, on the whole, until the time of the revolution approaches. "As a revolutionist," he writes, "I can have no respect for capitalist property laws, nor the least scruple about violating them," but Debs does not believe there can be any occasion to put this principle into effect until the workers have been politically and economically organized and educated, and then only if they are opposed by violence (see the *International Socialist Review*, February, 1912).

The French and Italian advocates of revolutionary unionism also assign to the party a very secondary part, though they are by no means, like the anarchists, opposed to all political action. They do not as a rule oppose the Socialist parties, but they protest against the view that Socialist activities should be chiefly political. Their best-known spokesman in Italy, Arturo Labriola, one of the most brilliant orators in the country, and a professor in the University of Naples, writes:—

> "The Social Democracy will prove to have been the last capitalistic party to which the defense of capitalistic society will have been intrusted. The syndicalists [revolutionary unionists] ought to get that firmly into their heads and draw conclusions from it in their *necessary* relations with the official Socialist Party. *The latter ought to resign itself to being no more than a simple party of the legal demands of the proletariat* [*i.e. the unions,*] *on the basis of existing society, and not an anti-capitalist party.*" (9)

This is strong language and brings up some large questions. Far from being displeased with the moderate and non-revolutionary character of the Socialist Party, Labriola, himself a revolutionist, is so indifferent to the party as a direct means to revolution, as to hope that it will drop its revolu-

tionary claims altogether and become a humble and modest but more useful tool of the unions. He even admitted in conversation with the writer that, attaching no value to political advance as such, he was not even anxious at this time that the illiterate South Italians should be given a vote, since they would long remain under the tutelage of the Catholic Church.

One of the founders of the present French movement, its earliest and chief theorist, Pelloutier, who has many followers among the present officials of the French Federation of Labor, went even further, denying to the government, and therefore to all political parties, any vital function whatever. To Pelloutier the State is built exclusively upon "superfluous and obnoxious political interests." The unions are expected to work towards a Socialist society without much, if any, political support. They are to use non-political means: "The general strike as a purely economic means that *excludes the coöperation* of parliamentary Socialists and demands only labor union activity would necessarily suit the labor union groups." (10)

The leading "syndicalist" writer to-day, Hubert Lagardelle, feels not only that a Socialist Party is not likely to bring about a Socialist society, but that any steps that it might try to take in this direction to-day would necessarily be along the wrong lines, since it would establish reforms by law rather than as a natural upgrowth out of economic conditions and the activities of labor unions, with the result that such reforms would necessarily go no farther than "State Socialism." (11)

Lagardelle speaks of the "State Socialistic" reform tendency as synonymous with "modern democracy." Because it supposes that there are "general problems common to all classes," says Lagardelle, democracy refuses to take into account the real difference between men, which is that they are divided into economic classes. Here we see the central principle of Socialism exaggerated to an absurdity. Few Socialists, even the most revolutionary, would deny that there are some problems "common to all classes." Indeed, the existence and importance of such problems is the very reason why "State Socialism," of benefit to the masses, but still more to the interest of the capitalists, is being so easily and rapidly introduced. Lagardelle would be right, from the Socialist standpoint, if he demanded that it should oppose mere political democracy, or "State Socialism" in

proportion as these forces have succeeded in reorganizing the capitalist State — or rather after they have been assimilated by it. But to obstruct their present work is merely to stand against the normal and necessary course of economic and political evolution, as recognized by the Socialists themselves, a similar mistake to that made by the Populists and their successors, who think they can prevent normal economic evolution by dissolving the new industrial combinations and returning to competition. Just as Socialists cannot oppose the formation of trusts under normal circumstances, neither can they oppose the extension of the modern State into the field of industry or democratic reform, even though the result is *temporarily* to strengthen capitalism and to decrease the economic and political power of the working people. One of the fundamental differences between the Socialist and other political philosophies is that it recognizes ceaseless political evolution and acts accordingly. It teaches that we shall probably pass on to social democracy through a period of monopoly rule, "State Socialism," and political reforms that in themselves promise no relative advance, economic or political, to the working class.

In a recent congress of the French Party, Jaurès protested against a statement of Lagardelle's that Socialism was opposed to democracy. "Democracy," Lagardelle answered, "corresponds to an historical movement which has come to an end; syndicalism is an anti-democratic movement to the extent that it is post-democratic. Syndicalism comes after democracy; it perfects the life which democracy was powerless to organize." It is difficult to understand why Lagardelle persists in saying that a movement which thus supplements democracy, which does what democracy was claiming to do, and which is expected to supersede it, should on this account be considered as "anti-democratic." Socialism fights the "State Socialists" and opposes those whose democracy is merely political, but it is attacking not their democracy or their "State Socialism," but their capitalism.

"Political society," says Lagardelle, "being the organization of the coercive power of the State, that is to say, of authority and the hierarchy, corresponds to an economic régime which has authority and the hierarchy as its base." (12) This proposition (the truth of which all Socialists would recognize in so far as it applies to political society in its present form) seems sufficient to Lagardelle to justify his conclusion

that we can no more expect Socialist results through the State, than we could by association with capitalism. He does not agree with the Socialist majority that, while capitalism embodies a ruling class whose services may be dispensed with, the State is rather a machine or a system which corresponds not so much to capitalism, as to the system and machinery of industry which capitalism controls.

Another and closely related idea of the syndicalists is that all political parties, as well as governments, necessarily become the tools of their leaders, that they always become "machines," bureaucratically organized like governments. Lagardelle adopts Rousseau's view that the essence of representative government (all existing governments that are not autocratic being representative) is "the inactivity of the citizen" and urges that political parties, like society in general, are divided between the governing and the governed. While there is much truth in this analysis, — this being the situation which it is sought to correct both in government and within political parties by such means as direct legislation and the recall, — Lagardelle does not seem to see that exactly the same problem exists also in the labor unions. For among the most revolutionary as among the most conservative of labor organizations the leaders tend to acquire the same relative and irresponsible power as they do in political parties. The difficulty of making democracy work inheres in all organizations. It must be met and overcome; it cannot be avoided.

Lagardelle's distrust of political democracy goes even further than a mere criticism of representative government. He thinks the citizen to-day unable to judge general political questions at all,— so that in his view even direct democracy would be useless. It is for this reason, he says, that parties have it as an aim to act and to think in the citizen's place. Lagardelle's remedy is not the establishment of direct democracy in government or in parties, but the organization of the people to act together on "the concrete things of life"; that is, on questions of hours, wages, and other conditions closely associated with their daily life and in his view adapted to their understanding. He does not seem to see that such questions lead almost immediately, not only to such larger issues as are already presented by the leading political parties, but also to the still larger ones proposed by the Socialists.

Others of the syndicalists' criticisms, if taken literally,

would undoubtedly bring them in the end to the position occupied by non-Socialist and anti-Socialist labor unionists. Lagardelle frankly places labor union action not only above political action, which Socialists, under many circumstances, may justify, but above Socialism itself. "Even if the dreams of the future of syndicalistic Socialism should never be realized, — none of us has the secret of history, — it would suffice for me to give it my full support, to know that it is at the moment I am speaking the essential agent of civilization in the world." Here is a labor union partisanship which is certainly not equaled by the average conservative labor leader, who has the modesty to realize that there are other powerful forces making for progress aside from the movement to which he happens to belong.

The syndicalists, or those who act along similar lines in other countries, have brought new life into the Socialist movement; their criticism has forced it to consider some neglected questions, and has contributed new ideas which are winning acceptance. The basis of their view is that the working people cannot win by mere numbers or intelligence, but must have a practical power to organize along radically new lines and an ability to create new social institutions independently of capitalist opposition or aid.

Lagardelle writes: "There is nothing in syndicalism which can recall the dogmatism of orthodox Socialism. The latter has summed up its wisdom in certain abstract immovable formulas which it intends willy-nilly to impose on life. . . . Syndicalism, on the contrary, depends on the continually renewed and spontaneous creations of life itself, on the perpetual renewing of ideas, which cannot become fixed into dogmas as long as they are not detached from their trunk. We are not dealing with a body of intellectuals, with a Socialist clergy charged to think for the working class, but with the working class itself, which through its own experience is incessantly discovering new horizons, unseen perspectives, unsuspected methods, — in a word, new sources of rejuvenation." (13)

Here, at least, is a valuable warning to Socialism against what its most revolutionary and enthusiastic adherents have always felt is its chief danger.

The fact that lends force to Lagardelle's argument is that the average workingman has a much more important, necessary, and continuous function to fill as a member of the labor unions than as a member of the Socialist parties. It still

remains a problem of the first magnitude to every Socialist party to give to its members an equally powerful daily interest in that work. On the other hand, it must be said in all fairness that the lack of active participation by the rank and file is very common in the labor unions also, a handful of men often governing and directing, sometimes even at the most critical moments.

It is the boast of the syndicalists that in their plan of revolutionary unionism, practice and theory become one, that actions become revolutionary as well as words — "Men are classed," says Lagardelle, "according to their acts and not according to their labels. The revolutionary spirit comes down from heaven onto the earth, becomes flesh, manifests itself by institutions, and identifies itself with life. The daily act takes on a revolutionary value, and social transformation, if it comes some day, will only be the generalization of this act." It is true that Lagardelle's "direct action" tends towards revolution, but does it tend towards Socialism? His answer is that it does. But his answer itself indicates the tendency of syndicalism to drift back into conservative unionism and the mere demand for somewhat more wages. Socialist organizations, he says, "must necessarily be trained in *actions* of no great revolutionary moment, since these are the only kind of *actions* now possible, and in agitation; that is, the conversion or the wakening of the will of the working people to desire and to demand an entirely different life, which their intelligence has shown them to be possible, and which they feel they are able to obtain through their organizations." (14) (My italics.)

Not all members of the French "syndicats" (labor unions) are theoretical syndicalists of the dogmatic kind, like Lagardelle. Yet even men like Guerard, recently head of the railway union, and Niel of the printers, recently secretary of the Federation of Labor, both belonging to the less radical faction, are in favor of the use of the general strike under several contingencies, and stand for a union policy directed towards the ultimate abolition of employers. But this does not mean that they believe the unions can succeed in either of these efforts if acting alone, or even if assisted in Parliament by a party which represents only the unions, acts as their tool, and therefore brings them no outside assistance. Such men, together with others more radical, like André and the Guesdists in the Federation, realize that a larger and

more democratic movement is needed in connection with the unions before there is any possibility of accomplishing the great social changes at which, as Socialists, they aim. (As evidence, see the proceedings of any recent convention of the Confederation Generale de Travail.)

Lagardelle, however, is a member of the Socialist Party and was recently even a candidate for the French Chamber of Deputies. Other prominent members of the Party as revolutionary as he and as enthusiastic partisans of the Confederation de Travail (Federation of Labor) are stronger in their allegiance to the Party. And there are signs that even in France syndicalism is losing its anti-political tendency. Hervé, who demanded at the beginning of 1909 that the "directors of the Socialist Party cure themselves of 'Parliamentary idiocy'" (his New Year's wish), expressed at the beginning of 1910 the wish that "certain of the dignitaries of the Federation of Labor should cure themselves of a syndicalist and laborite idiocy, a form of idiocy not less dangerous or clownish than the other."

In fact, it may soon be necessary to distinguish a new school of political syndicalism, which is well represented by Paul Louis in his "Syndicalism against the State" (Le Syndicalisme contre l'État).

"Syndicalism is at the bottom," says Louis, "only a powerful expression of that destructive and constructive effort which for years has been shaking the old political and social régime, and is undermining slowly the ancient system of property. It points necessarily to collectivism and communism. It represents Socialism in action, in daily and continuous action. . . .

"Now the abolition of the State . . . is the object of modern Socialism. What distinguishes this modern Socialism from Utopian Socialism which culminated towards 1848, whose best-known publicists were Cabet, Pecqueur, Louis Blanc, Vidal, is precisely that it no longer attributes to the State the power to transform, the capacity to revolutionize, the rôle of magic regeneration, which the writers in this dangerous phase of enthusiasm assigned to it. For the Utopians all the machinery of a bureaucracy could be put at the service of all the classes, fraternally reconciled in view of the coming social regeneration. For contemporary Socialists since Karl Marx . . . this bureaucratic machinery, whose function is to protect the existing system and to maintain an administrative, economic, financial, political, and military guardianship must finally be disintegrated. The new society can only be born at this price.

"There still exist in all countries groups of men or isolated in-

dividuals who stand for collectivism, who claim to want the complete emancipation of all workers, but who nevertheless adhere to paternalism. These are called revisionists in Germany, reformists in France, Italy, and Switzerland. . . . They go back, without knowing it, to those theories of enlightened despotism which flourished at the end of the eighteenth century in the courts of Vienna, St. Petersburg, Madrid and Lisbon, the ridiculous inanity of which was sufficiently well demonstrated by events. . . .

"But these Utopians of the present moment, these champions of a limitless adaptation to circumstances, are destined to lose ground more and more, according as Syndicalism expresses better and better the independent action of the organized proletariat.

"In its totality the Socialism of the world is as anti-governmental as Syndicalism, and in this is shown the identity of the two movements, for it is difficult to distinguish the field of action of the one from that of the other." (15)

We see here that the central idea of syndicalism, which is undoubtedly, as Louis says, a revolutionary action against existing governments, is not on this account anti-political; the foundation of this point of view is that labor union action is bound sooner or later to evolve into syndicalism, which in its essence is an effort to put industry in the immediate control of the non-propertied working classes, without regard to the attitude taken towards this movement by governments:—

"Those who have long imagined that some kind of coördination would be brought about between old economic and social institutions and the union organizations which would then be tolerated, those who thought they could incorporate these industrial groups in the mechanism of production and political society, were guilty of the most stupefying of errors. They were ignorant both of the nature of the State and of the essence of unionism; they were attempting the squaring of the circle or perpetual motion; they had not analyzed the process of disintegration which humanity is undergoing, which, accelerated by the stream of industrialism, has given origin to hostile classes subordinated to one another, incapable of coexisting in a lasting equilibrium." (16)

We see here a complete agreement with the position of the revolutionary majority among the Socialists. If syndicalism differs in any way from other tendencies in the Socialist movement, it does so through a difference of emphasis rather than a difference of kind. It undoubtedly exaggerates the possibilities of economic action, and underestimates those

of political action. Louis, for example, says that the working people are the subjects of capital, but the masters of production, that they cannot live without suffering in the factory, but that society cannot live without their labor. This, of course, is only true if stated in the most unqualified form. Society is able to dispense with all labor for a short time, and with very many classes of labor for long periods. Moreover, the forcing of labor at the point of the rifle is by no means so impracticable during brief emergencies as is sometimes supposed.

Syndicalism may, perhaps, be most usefully viewed as a reaction against the tendency towards "parliamentarism" or undue emphasis on political action, which has existed even among revolutionary Socialists in Germany and elsewhere (see Part II, Chapter V). Among the "revisionist" Socialists of that country a great friendliness to labor union action existed, in view of the comparative conservatism of the unions. For this same reason the revolutionaries became rather cold, though never hostile, towards this form of action, and concentrated their attention on politics. In a word, syndicalism is only to be understood in the light of the criticisms of revolutionary Socialism as presented by Kautsky, just as the standpoint of the latter can only be comprehended after it is subjected to the syndicalist criticism — and doubtless both positions, however one-sided they appear elsewhere, were fairly justified by the economic and political situations in France and Germany respectively. "Only as a *political* party," says Kautsky, "can the working class as a whole come to a firm and lasting union." He then proceeds to argue that purely economic struggles are always limited either to a locality, a town, or a province, or else to a given trade or industry — the directly opposite view to that of the syndicalists, whose one object is also, undeniably, to bring about a unity of the working class, though they claim that this can be accomplished *only by economic action*, while from their point of view it is political action that always divides the working class by nation, section, and class.

"The pure and simple unionist," says Kautsky, "is conservative, even when he behaves in a radical manner; on the other hand, every true and independent political party [Kautsky is speaking here of workingmen's organizations exclusively] is always revolutionary by its very nature, even when, according to its action, or even according to the con-

sciousness of its members, it is still moderate." This again is the exact opposite of the syndicalists' position. They would say that a labor party unconnected with revolutionary economic action would necessarily be conservative, no matter how revolutionary it seemed. The truth from the broader revolutionary standpoint is doubtless that neither political nor economic action in isolation can long continue to be revolutionary. Exclusively economic action soon leads to exclusive emphasis on material and immediate gains, without reference to the relative position of the working class or its future; exclusively political action leads inevitably to concentration on securing democratic political machinery and reforms which by no means guarantee that labor is gaining on capital in the race for power.

To Kautsky a labor party, it would seem, might be sufficient in itself, even if economic action should, for any reason, become temporarily impossible: —

> "The formation and the activity of a special labor party which wants to win political power for the working class already presupposes in a part of the laboring class a highly developed class consciousness. But the activity of this labor party is the most powerful means to awaken and to further class consciousness in the masses of labor, also. It knows only objects and tasks which have to do with the whole proletariat; the trade narrowness, the jealousies of single and separate organizations, find no place in it." (17)

It is easy to see how an equally strong case might be made out for the educative, unifying, and revolutionary effect of an aggressive labor union movement without any political features. The truth would seem to be that any form of organization that honestly represents the working class and is at the same time militant — and no other — advances Socialism. The objections to action exclusively political hold also against action exclusively economic. Both trade union action as such, which inevitably spends a large part of its energies in trying to improve economic conditions in our *present* society by trade agreements and other combinations with the capitalists, and political action as such, which is always drawn more or less into capitalistic efforts to improve present society by political means is fundamentally conservative. What Socialism requires is not a political party in the ordinary sense, but political organization and a political program; not labor unions, as the term has been understood,

but aggressive and effective economic organization, available also for the most far-reaching economic and political ends.

It seems probable that the anti-political element in the new revolutionary unionism will soon be outgrown. When this happens, it will meet the revolutionary majority of the Socialists on an identical platform. For this revolutionary majority is steadily laying on more weight on economic organization.

NOTE: The profound opposition between the "State Socialism" of the Labour Party and the revolutionary aims and methods of genuine Socialism and the new labor unionism appeared more clearly in the coal strike of 1912 than it had in the railway strike of the previous year. As Mr. Lloyd George very truthfully remarked in Parliament, no leaders of the Labour Party had committed themselves to syndicalism, while syndicalism and socialism [*i.e.* the socialism of the Labour Party] were mutually destructive. "We can console ourselves with the fact," said Mr. Lloyd George, "that the best policeman for the syndicalists is the socialist [*i.e.* the Labourite]."

The conduct of many of the Labour Party leaders during this strike, as during the railway strike, fully justified the confidence of the Chancellor of the Exchequer. Mr. MacDonald, for example, spoke of syndicalism in much the same terms as those used by Mr. Lloyd George. He viewed it as evil, to be obviated by greater friendliness and consideration on the part of employers towards employees, a position fully endorsed by the Chancellor of the Exchequer and the other Radicals of the British Cabinet.

The coal strike throughout was, indeed, almost a repetition of the railway strike. What I have said of the one applies, with comparatively slight changes, to the other. Even the so-called Minimum Wage Law is essentially identical with the methods adopted to determine the wages of railway employees.

CHAPTER VI

THE "GENERAL STRIKE"

NEARLY all strikes are more or less justified in Socialist eyes. But those that involve neither a large proportion of the working class nor any broad social or political question are held to be of secondary importance. On the other hand, the "sympathetic" and "general" strikes, which are on such a scale as to become great public issues, and are decided by the attitude of public opinion and the government rather than by the employers and employees involved, are viewed as a most essential part of the class struggle, especially when in their relation to probable future contingencies.

The social significance of such sympathetic or general strikes is indeed recognized as clearly by non-Socialists as by Socialists — even in America, since the great railroad strike of 1894. The general strike of 1910 in Philadelphia, for instance, was seen both in Philadelphia and in the country at large as being a part of a great social conflict. "The American nation has been brought face to face for the first time with a strike," said the *Philadelphia North American*, "not merely against the control of an industry or a group of allied industries, but *a strike of class against class, with the lines sharply drawn.* . . . And it is this antagonism, this class war, intangible and immeasurable, that constitutes the largest and most lamentable hurt to the city. It is, moreover, felt beyond the city and throughout the entire nation." (My italics). It goes without saying that all organs of non-Socialist opinion feel that such threatening disturbances are lamentable, for they certainly may lead towards a revolutionary situation. Both in this country and Great Britain the great railway strike of 1911 was almost universally regarded in this light.

The availability of a general strike on a national scale as a means of assaulting capitalism at some future crisis or as a present means of defending the ballot or the rights of labor organizations or of preventing a foreign war, has for the past

decade been the center of discussion at many European Socialist congresses. The recent Prime Minister of France, Briand, was long one of the leading partisans of this method of which he said only a few years before he became Premier: "It has the seductive quality that it is after all the exercise of an incontestable right. It is a revolution which commences with legality. In refusing the yoke of misery, the workingman revolts in the fullness of his rights; illegality is committed by the capitalist class when it becomes a provocator by trying to violate a right which it has itself consecrated." That Briand meant what he said is indicated by the advice he gave to soldiers who might be ordered to fire against the strikers in such a crisis. "If the order to fire should persist," said Briand, "if the tenacious officer should wish to constrain the will of the soldiers in spite of all. . . . Oh, no doubt the guns might go off, but it might not be in the direction ordered" — and the universal assumption of all public opinion at that time and since was that he was advising the soldiers that under these circumstances they would be justified in shooting their officers.

The Federation of Labor of France has long adopted the idea of the general strike as appropriate for certain future contingencies, as has also the French Socialist Party — "To realize the proposed plan," the Federation declares, "it will be necessary first of all to put the locomotives in a condition where they can do no harm, to stop the circulation of the railways, to encourage the soldiers to ground their arms."

As thus conceived by Briand and the Federation, few will question the revolutionary character of the proposed general strike. But in what circumstances do the Socialists expect to be able to make use of this weapon? The Socialists of many countries have given the question careful consideration in hundreds of writings and thousands of meetings, including national and international congresses. Through the gradual evolution of the plans of action developed in all these conferences and discussions, they have come to distinguish sharply between a really general strike, *e.g.* a nation-wide railroad strike, when used for revolutionary purposes, and other species of widespread strikes which have merely a tendency in a revolutionary direction, such as the Philadelphia trouble I have mentioned, and they have decided from these deliberations, as well as considerable actual experience, just what forms of general strike are most promising and under

what contingencies each form is most appropriate. Henriette Roland-Holst has summed up the whole discussion and its conclusions in an able monograph (indorsed by Kautsky and others) from which I shall resume a few of the leading points. (1) She concludes that railroad strikes for higher wages, unless for some modest advance approved by a large part of the public, like the recent British strike (which, in view of the rising cost of living, was literally to maintain "a living wage"), can only lead to a ferocious repression. For a nation-wide railroad strike is paid for by the whole nation, and its benefits must be nation-wide if it is to secure the support of that part of the public without which it is foredoomed to failure. Otherwise, says Roland-Holst, "the greater has been the success of the working people at the beginning, the greater has been the terror of the middle classes," and as a consequence the measures of repression in the end have been proportionately desperate. But this applies only when such strikes are for aggressive ends, like that of 1910 in France, and promise nothing to any element of society except the employees immediately involved.

If a nation-wide railroad strike or a prolonged coal strike is aggressive, it will inevitably be lost unless it has a definite public object. And the only aggressive political aim that would justify, in the minds of any but those immediately involved, all the suffering and disorder a railroad strike of any duration would entail, would be a social revolution to effect the capture of government and industry. The only other circumstances in which such a strike might be employed with that support of a part at least of the public which is essential to its success would be as a last resort, when some great social injustice was about to be perpetrated, like a declaration of war, or an effort to destroy the Socialist Party or the labor unions. Jaurès says rightly, that even then it would be "a last and desperate means less suited to save one's self than to injure the enemy."

These conclusions as to the possibilities and limitations of the general strike are based on a careful study of the military and other powers of the existing governments. "The power of the modern State," says Roland-Holst, "is superior to that of the working class in all its *material* bases either of a political or of an economic character. The fact of political strikes can change this in no way. The working class can no more conquer economically, through starvation, than it can through

the use of powers of the same kind which the State employs, that is, through force. In only one point is the working class altogether superior to the ruling class — in purpose. . . . Governmental and working class organizations are of entirely different dimensions. The first is a coercive, the second a voluntary, organization. The power of the first rests primarily on its means of physical force; that of the latter, which lacks these means, can break the physical superiority of the State only by its moral superiority." It is almost needless to add that by "moral superiority" Roland-Holst means something quite concrete, the willingness of the working people to perform tasks and make sacrifices for the Socialist cause that they would not make for the State even under compulsion. It is only through advantages of this kind, which it is expected will greatly increase with the future growth of the movement, that Socialists believe that, supported by an overwhelming majority of the people, a time may arrive when they can make a successful use of the nation-wide general strike. It is hoped that the support of the masses of the population will then make it impossible for governments to operate the railroads by military means, as they have hitherto done in Russia, Hungary, France, and other countries. It is thought by many that the general strike of 1905 in Russia, for example, might have attained far greater and more lasting results if the peasants had been sufficiently aroused and intelligent to destroy the bridges and tracks, and it is not doubted that a Socialist agricultural population consisting largely of laborers (see Chapter II) would do this in such a crisis.

Here, then, are the two conditions under which it is thought by Roland-Holst and the majority of Socialists that the general strike may some day prove the chief means of bringing about a revolution: the active support of the majority of the people, and the superior organization and methods and the revolutionary purpose of the working classes.

In the preparation of the working people to bring about a general strike when the proper time arrives, lies a limitless field for immediate Socialist activity. Both Jaurès and Bebel feel that it is even likely that the general strike will also have to be used on a somewhat smaller scale even before the supreme crisis comes. Jaurès thinks that it will be needed to bring about essential reforms or to prevent war, and Bebel believes that it will very likely have to be used to defend existing political and economic rights of the working class; in

other words, to protect the Party and the unions from destruction. At the Congress at Jena in 1905 the conservative trade union official, von Elm, together with a majority of the speakers, argued that it was possible that an attempt would be made to take away from the German working people the right of suffrage, the freedom of the press and assemblage and the right of organization. In such a case he and others advocate a general strike, though he said he fully realized it would be a bloody one. "We must reckon with this," he said. "As a matter of course, we wish to shed no blood, but our enemies drive us into the situation. . . . The moment comes when you must be ready to give up your blood and your property [here he was interrupted by stormy applause]. Prepare yourselves for this possibility. Our youths must be brought up so that among the soldiers here and there will be a man who will think twice before he shoots at his father and mother [as Kaiser Wilhelm publicly insists he must], and at the same time at freedom." The reception of von Elm's speech showed that his words represented the feeling of the whole German movement. Bebel spoke with the same decision, advocating the use of the general strike under the same conditions as did von Elm, while at the next congress at Mannheim he declared that it would also be justified, under certain circumstances, not only for protecting existing rights, but for extending them, *e.g.* for the purpose of obtaining universal and equal suffrage in Prussia. Bebel did not think that the party or the unions were strong enough at that moment to use the general strike for other than defensive purposes, but he said that, if they were able to double their strength, — and it now seems they will have accomplished this within a very few years, — then the time would doubtless arrive when it would be worth while to risk the employment of this rather desperate measure for aggressive purposes also.

While Socialism is thus traveling steadily in the direction of a revolutionary general strike, capitalist governments are coming to regard every strike of the first importance as a sort of rebellion. In discussing the Socialist possibilities of a national railroad strike, Roland-Holst, representing the usual Socialist view, says that it makes very little difference whether the roads are nationally or privately owned; in either case such a strike is likely to be considered by capitalistic governments as something like rebellion.

But while this applies only to the employees of the most important services like railroads, when privately operated, it applies practically to *all* government employees; there is an almost universal tendency to regard strikes against the government as being mutiny — an evidence of the profoundly capitalistic character of government ownership and "State Socialism" which propose to multiply the number of such employees. Here, too, the probable governmental attitude towards a future general strike is daily indicated.

President Nicholas Murray Butler, of Columbia University, has written that any strike of "servants of the State, in any capacity — military, naval, or civil," should be considered both treason and mutiny.

"In my judgment loyalty and *treason*," he writes, "ought to mean the same thing in the civil service that they do in military and naval services. The door to get out is always open if one does not wish to serve the public on these terms. Indeed, I am not sure that as civilization progresses loyalty and *treason* in the civil services will not become more important and more vital than loyalty and *treason* in the military and naval services. The happiness and the prosperity of a community might be more easily wrecked by the paralysis of its postal and telegraph services, for example, than by a mutiny on shipboard. . . . President Roosevelt's attitude on all this was at times very sound, but he wabbled a good deal in dealing with specific cases. In the celebrated Miller Case at the Government Printing Office he laid down in his published letter what I conceive to be the sound doctrine in regard to this matter. It was then made plain to the printers that to leave their work under pretense of striking was to resign, in effect, the places which they held in the public service, and that if those places were vacated they would be filled in accordance with the provisions of the civil service act, and not by reappointment of the old employees after parley and compromise. . . . To me the situation which this problem presents is, beyond comparison, the most serious and the most far-reaching which the modern democracies have to face." Dr. Butler concludes that this question "will wreck every democratic government in the world unless it is faced sturdily and bravely now, and settled on righteous lines." (My italics.) (2)

Our Ex-President, however, has ceased apparently to "wabble." In Mr. Roosevelt's medium, the *Outlook*, an editorial on the strike of the municipal street cleaners of New York City reads in part as follows:—

Men who are employed by the public cannot strike. They can, and sometimes they do, mutiny. When they should be treated not as strikers but as mutineers.

This issue was presented by the refusal of the men to do what they were ordered to do. *When soldiers do that in warfare they are given short shrift.* Of course, in combating accumulating dirt and its potent ally, disease, an army of street cleaners is not face to face with any such acute public dangers as those confronting a military force; and therefore insubordination among street cleaners does not call for any such severity as that which is absolutely necessary in war times; *but the principle in the one case is the same as that in the other — those who disrupt the forces of public defense range themselves on the side of the public enemy.* They are not in any respect on the same basis as the employees of a private employer. *They are wage earners only in the sense that soldiers are wage earners.* (3)

When Senator La Follette indorsed the right of railway mail clerks to organize, President Taft said (May 14, 1911): —

"This presents a very serious question, and one which, if decided in favor of the right of government employees to strike and use the boycott, will be full of danger to the government and to the republic.

"The government employees of France resorted to it and took the government by the throat. The executive was entirely dependent upon these employees for its continuance.

"When those in executive authority refused to acquiesce in the demands, the government employees struck, and then with the helplessness of the government and the destruction of all authority and the choking of government activities it was seen that to allow government employees the use of such an instrument was to recognize revolution as a lawful means of securing an increase in compensation for one class, and that a *privileged class*, at the expense of all the public. . . .

"The government employees are a privileged class whose work is necessary to carry on the government and upon whose entry into the government service it is entirely reasonable to impose conditions that should not be and ought not to be imposed upon those who serve private employers."

Here the Socialists join issue squarely with the almost universally prevalent non-Socialist opinion. They do not consider government employment a "privilege" nor any strike whatever as "mutiny," "treason," or "rebellion." Socialists believe that the only possible means of maintaining democracy at all in this age when government employees are beginning to increase in numbers more rapidly than those of private industry, is that they should be allowed to maintain their right to organize *and to strike* — no matter how great difficulties it may involve. To decide the question as President

Butler wishes, or as President Taft implies it should be decided, Socialists believe, would mean to turn every government into a military organization. The time is not far distant when in all the leading nations a very large part and in some cases a majority of the population will be in government employment. If even the present limited rights of organization are done away with, and the military laws of subordination are applied, Socialists ask, shall we not have exactly that military and autocratic bureaucracy, that "State Socialism" which Spencer so rightly feared? The fact that these perfectly legal and necessary strikes may some day lead to revolution is capitalism's misfortune, which society will not permit it to cure by turning the clock back to absolutism. The question of the organization of government employees, one of the most important to-day, will, as President Butler says, be the crucial question of the near future.

It is in France that the question has come to the first test, not because the French bureaucracy is more numerous than that of Prussia and some other Continental countries, but because of the powerful democratic and Socialist tendency that has grown up along with this bureaucracy and is now directed against it. Especially interesting is the fact that Briand, who not long ago advocated the Socialist general strike and certainly realized its danger to present government as well as its possibilities for Socialism, has, as Premier, evolved measures of repression against organizations of State employees more stringent than have been introduced in any country making the slightest pretension to democratic or semi-democratic government.

The world first became aware of the importance of this issue at the time of the organization and the strike of the French telegraphers and post office employees in the early part of 1909, and again in the railway strike in 1910. As early as 1906 the organized postal employees had been definitely refused the right to strike, and it became manifest that if they attempted to use this weapon to correct the very serious grievances under which they suffered, it would be looked upon as "a kind of treason against the State." At the end of 1908, however, after having discussed the matter for many years, a congress of all the employees of the State was held. More than twenty different associations participated and decided unanimously to claim the full rights of other labor organizations. Finally, when these organizations

appealed to the General Federation of Labor to help them, there came the strike of 1909. Unfortunately for the postmen, the French railway and miners' unions were at the moment still in relatively conservative hands, and the majority of their members were as yet by no means anxious to aid in the general strike movement. After a brilliant success in their first effort, a second strike a few weeks later proved a total failure.

The government then began to make it clear that public employees were to be allowed no right to strike, and Jaurès pointed out that it was trying to carry this new repressive legislation by accompanying it by new pension laws and other concessions to the State employees, — a repetition of the old policy of more bread and less power, which is likely to play a more and more important rôle every year as we enter into the State capitalistic period.

The character of the organizations allowed for government employees, under the new laws, would remind one of Prussia or Russia rather than France. While certain forms of association are permitted, the right to strike is precluded, and the various associations of government employees are forbidden either to form any kind of federation or to unite with other unions outside of government employments. "Councils of discipline are created where the employees are represented," but "in the case of a collected or concerted cessation of work all disciplinary penalties may be inflicted without the intervention of the councils of discipline; courts may order the dissolution of any union at the request of the ministry," which means that at any moment a police war may be instituted against these organizations, in the true Russian style.

The reply of the postmen's organization to this kind of legislation is, that the administration of the post office is an industrial and commercial administration; that it is a vast enterprise of general utility; that the notion of loyalty or treason is entirely misplaced in this field. They have declared that the new legislation is wrong "because it perpetuates the bureaucratic tradition; because with a contempt for all the necessities of modern life it discountenances organization of labor; because it has constituted a repressive legal condition for wage earners; and because it is an act of authority which has nothing in common with free contract."

Here we see the public employees, supported by the Social-

ists, insisting on industrial and commercial considerations, on the rights of individuals and on free contract, as against the capitalists and governing classes, who claim to defend these very principles from supposed Socialist attacks, but abandon them the moment they threaten capitalist profits and capitalist rule. This attitude of the French Socialist shows the very heart of the Socialist situation. In fact, it is only as private capitalism becomes State capitalism, or "State Socialism," that Socialists will be able to show what their position really is. It is only then that the coercive aspect of capitalism, which is now partly latent and partly obscured by certain functions that it has still to fill in the development of society, will become visible to all eyes.

The French railroad strike of October, 1910, brought the question of organizations of government employees still more into international prominence. Until the recent British upheaval it was, perhaps, the greatest and most menacing strike in modern history. It is true that its apparent object was only a few just, and relatively insignificant economic concessions — which were granted for the most part immediately after the struggle. But behind these, as every one realized, lay the question of the right of government employees to organize and to strike and the determination of the French Socialists and labor unionists to use the opportunity to take a step towards the "general strike."

Never has the issue between capitalism and Socialism been more sharply defined than in Premier Briand's impulsively frank declaration after the strike (though it was later retracted): "I say emphatically, if the laws have not given the government the means of keeping the country master of its railways and the national defense, it would not have hesitated to take recourse to illegality."

This is almost the exact declaration of Ex-President Roosevelt in his Decoration Day speech in 1911, when he said that really revolutionary men dreaded and hated him because they knew that *he wouldn't let the Constitution stand in the way of punishing them if they did wrong.*

Milder but no less positive expressions of an intention to use illegal means to coerce labor, if it does not act as present authorities dictate, were to be heard from responsible sources both in England and America after the recent British railway strike. The non-Socialist press then came almost unanimously to the conclusion that an attempt must be made to

take away the sole weapon by which labor is able to protect itself or advance its position as soon as "the public" is damaged by its use — which amounts to reducing wage earners to the status of children, soldiers, or other wards of the community. "If railroad and telegraph strikes are many and violent," said *Collier's Weekly*, "they will encourage government ownership without unionization." (4)

The *Outlook* stopped short of government ownership, but announced a similar principle: "The railways are public highways; they must be controlled by the nation for the public good; the operation of the railways must not be stopped because of disputes; and, as a corollary to this last law of necessity, the government must furnish an adequate and just method of settling railway disputes." (5) Every step in government control is to be accompanied by a step in the control of labor, and restriction of the power of labor unions. The right of employees to protect themselves by leaving their work in a body is to be taken away completely, while the right to discharge or punish is to remain intact in persons over whom the employees can have little or no control.

Governments are evidently ready to proceed to illegality for the sake of self-preservation — even from a perfectly legal attack, if it threatens to destroy them or to transfer the government into the hands of the non-capitalist classes. Of course a capitalist government can pass "laws," *e.g.* martial law, under which anything it chooses to do against its opponents becomes "legal" and anything effective its opponents do becomes illegal. In the present age of general enlightenment, however, this method does not even deceive Russian peasants. But the French government is now turning to this device. Briand explained away his sensational declaration above quoted, and then proposed a law by which striking on a railway becomes a crime and almost a felony. This met universal approval in the capitalistic press and universal denunciation in that of the Socialists and labor unions. The *Boston Herald*, for example, said: "The Executive must be armed with greater authority than he now possesses. No Premier must be forced to say, as M. Briand did recently, that, with or without law, national supremacy will be preserved in case it is challenged by allied workers for the State, as well as by other toilers." Here there is no effort to disguise the fact that the new legal form is the *exact equivalent* of the illegal force formerly proposed.

Now the peasants and the lower middle classes of France, as well as the working people (land and opportunities being more and more difficult to obtain), are becoming extremely radical. Though they do not send Socialist deputies to the Chamber, they send representatives who are very suspicious of arbitrary, undemocratic, and centralized authority. Only 215 members of the Chamber could be induced to approve of the government's conduct during the strike of 1910, while more than 200 abstained from voting on this point, and 166 voted in the negative. The proposed measures of repression were carried by a small majority, but it is not likely that they can be enforced many years without bringing about another and far more revolutionary crisis. Briand and his associates, Millerand and Viviani, were forced to resign, partly on account of their conduct in this strike, and it is possible that after another election or two the Chamber will no longer give its consent to this relegation of workingmen to the status of common soldiers. Only six months after the strike, Briand's successor, Monis, with the consent of the Chamber, was bringing governmental pressure to bear on the privately owned railways to force them to take back dismissed strikers. In the next ministry, that of Caillaux, the Minister of Labor, Augagneur, the former Socialist, pursued the same policy of pressing for the reinstatement of a large part of the discharged employees of the private railroads while insisting that the employees of government railroads could not be allowed to strike. And again, at the end of 1911, the government secured only 286 votes in favor of this policy, to 193 against it.

France is by no means the only country where the question of strikes of government employees has become all-important. When the railways were nationalized in Italy there was considerable Socialist opposition on the ground that the employees were likely to lose a part of such rights as they had had when in private employment, and it turned out just as was feared. The position of the Italian Socialists on the subject is as interesting as that of the French. The Congress at Florence in 1908 resolved that "considering the fact that a strike of municipalized or nationalized services represents, not the struggle of the proletariat against a private capitalistic enterprise, but the conflict of a class against the collectivity, whence the difficulty of its success, the employees in public service ought to be advised not to proclaim a strike unless

urged on by the most compelling motives and when every other means have failed; but "taking it into consideration at the same time that in the present condition of society the working people in public service have no other means to guarantee the defense of their rights, and that in critical moments of history the suspension of public services is among the most efficacious arms of which the proletariat can avail itself to disorganize the defense of the government, any disposition to bring into legislation the principle of the abolition of the right to strike is dangerous" and "any attempt in that direction" must be defeated.

The gulf between those who consider the collective refusal of the organizations of government employees to work under conditions they do not accept, as being "treason" and "mutiny," and those who feel that such an organization is the *very basis* of industrial democracy of the future and the sole possible guarantee of liberty, is surely unbridgeable.

The clash between the classes on this question of livelihood and liberty is already momentous, but its full significance can only be realized when the Socialist aim is recalled. As employees of railroads, of governments, and of industries become Socialists, they will not only be ready to strike to raise their wages, or to protect the unions and the Socialist Party, or to prevent military reaction, but also — when they have the majority with them — to take possession of government.

An editorial in the *New York Call* (October 31, 1911) shows how most American Socialists expect the general strike to work: —

"The failure of one 'general' strike, or any attempt to carry out a general strike, does not bankrupt or destroy the working class, for the reason that it is that class which holds the future in its hands. Nor does such failure help capitalism — the decaying system — in any way. On the contrary, it helps disintegrate it, and the failure itself is merely the necessary prelude to a still stronger assault by the same method. The general strike seems to be like what is said of democracy, that the cure for democracy is still more democracy. In the same way the cure for the general strike is to make it still more 'general' in character. The less 'general' it is, the less chance has it of success, and the more 'general' it can be made, the more certain is it of success.

"And that success may not, and very likely will not, take the form hoped for by those who advocate it as a means of immediate or even ultimate social revolution. But even this, if true, is no argument

against its use. It will, however, bring the social revolution nearer in other ways.

"We hardly, for instance, expect to see the capitalists, paralyzed by the most 'general' of general strikes surrender their property offhand to the victorious proletariat in despair of being able to operate it themselves. Much as we would like to see the working class march in and take possession of the abandoned factories and workshops in this manner, and commence operations under their collective ownership, the vision can only remain while other factors are disregarded. There is possibly much more flexibility and elasticity in the capitalist system than is usually imagined by Socialists. As William Morris tells old John Ball, the 'rascal hedge-priest,' 'Mastership hath many shifts' before it finally goes down and out.

"If we were to venture an opinion, the course and procedure of the general strike, with special reference to the railroads and allied industries, will follow something in this order.

"General strikes will succeed one another intermittently, each becoming more 'general,' the method finally establishing itself as a settled policy of the workers in enforcing their demands. Some may fail, but from time to time they will grow more 'general' and more powerful, and will wrest more concessions from the owners, until the point is reached where the railroad business will return practically no private profits to its owners. And when this point is reached, or the certainty of its being reached is plainly seen, then mastership will make its next shift. There will be two alternatives.

"The first is literal, physical suppression, by the armed forces of the nation still under control of the capitalists, and greatly augmented for the purpose. This, however, for a multitude of reasons, is a most dangerous policy and much more 'impossible' than the general strike. Instead of postponing social revolution, it rather accelerates its approach.

"The other alternative, and the one by all means most likely to be adopted, is government ownership of the railroads, with the capitalists, of course, as owners of the government. This will undoubtedly be ushered in as 'State Socialism.' Laws will be passed constituting the railroad workers as direct servants of the State, and forbidding the general strike or any other kind of strike.

"The prohibition will not have the desired effect. If attempted to be enforced, it merely throws capitalist society back on the first dangerous alternative policy we have mentioned. But it will give capitalism a breathing spell, and a chance to 'spar for wind' for a while, which is the best it can expect. The general strike will still be utilized to assail the capitalist State and its property.

"The final struggle will be a political one, for the capture of the State from the hands of the capitalists, and such capture will mean the transfer of capitalist State-owned property to collective property and the establishment of industrial democracy, or Socialism."

CHAPTER VII

REVOLUTION IN DEFENSE OF CIVIL GOVERNMENT

"The workers do not yet understand," says Debs, "that they are engaged in a class struggle, and must unite their class and get on the right side of that struggle economically, politically, and in every other way — strike together, vote together, and, if necessary, fight together." (1) Socialists are prepared to use force when governments resort to arbitrary violence — for example, to martial "law." In the Socialist view no occasion whatever justifies the suspension of the regular government the people has instituted — and even if such an occasion could arise there is no authority to which they would consent to give arbitrary power. Military "government" is not government, but organized violence.

Tolstoi's masterly language on this matter will scarcely be improved upon: —

"The slavery of the working people is due to this, that there are governments. But if the slavery of the laborers is due to the government, the emancipation is naturally conditioned by the abolition of the existing governments and the establishment of new governments, — such as will make possible the liberation of the land from ownership, the abolition of taxes, and the transference of the capital and the factories into the power and control of the working people.

"There are men who recognize this issue as possible, and who are preparing themselves for it. . . . So long as the soldiers are in the hands of the government, which lives on taxes and is connected with the owners of land and of capital, a revolution is impossible. And so long as the soldiers are in the hands of the government, the structure of life will be such as those who have the soldiers in their hands want it to be.

"The governments, who are already in possession of a disciplined force, will never permit the formation of another disciplined force. All the attempts of the past century have shown how vain such attempts are. Nor is there a way out, as the Socialists believe, by means of forming a great economic force which would be able to

fight successfully against the consolidated and ever more consolidating force of the capitalists. Never will the labor unions, who may be in possession of a few miserable millions, be able to fight against the economic power of the multimillionaires, who are always supported by the military force. Just as little is there a way out as is proposed by other Socialists, by getting possession of the majority of the Parliament. Such a majority in the Parliament will not attain anything, so long as the army is in the hands of the governments. The moment the decrees of the Parliament are opposed to the interests of the ruling classes, the government will close and disperse such a parliament, as has been so frequently done and as will be done so long as the army is in the hands of the government."

Tolstoi, in spite of his contrary impression, here reaches conclusions which are the same as those of the Socialists; for they are well aware that armies are likely to be used to dissolve Parliaments and labor unions.

"The introduction of socialistic principles into the army will not accomplish anything," Tolstoi continues. "The hypnotism of the army is so artfully applied that the most free-thinking and rational person will, *so long as he is in the army*, always do what is demanded of him. Thus there is no way out by means of revolution or in Socialism."

Here Tolstoi is again mistaken, for at this point also Socialists agree with him completely. The soldier, they agree, must be reached, and some think must even be led to act, *before* he reaches the barracks — whether he is about to enter them for military training in times of peace or for service in times of war.

"If there is a way out," concludes Tolstoi, "it is the one which has not been used yet, and which alone incontestably destroys the whole consolidated, artful, and long-established governmental machine for the enslavement of the masses. This way out consists in refusing to enter into the army, before one is subjected to the stupefying and corrupting influence of discipline.

"This way out is the only one which is possible and which at the same time is inevitably obligatory for every individual person." (2)

Socialists differ from the great Russian, not in their analysis of the situation, but in their more practical remedy. They would *organize* the campaign against military service instead of leaving it to the individual, and *after* they had converted

a sufficient majority to their views they would not hesitate to use any kind of force that seemed necessary to put an end to government by force. But they would not proceed to such lengths until their political and economic modes of action were forcefully prevented from further development. If civil government is suspended to combat the great general strike towards which Socialists believe society is moving they will undertake to restore it or to set up a new one to replace that which the authorities have "legally" destroyed. I say *legally* because all capitalist governments have provided for this contingency by giving their executives the right to suspend government when they please — on the pretext that its existence is threatened by internal disorder. It has been generally and publicly agreed among capitalist authorities that this power shall be used in the case of a general strike — as the British government declared, at the time of the recent railway strike, *whether there is extensive popular violence or not.*

I have shown that the Socialists contemplate the use of the general strike whenever, in vital matters, governments refuse to bow to the clearly expressed will of the majority, and that they recognize the difficulties to be overcome before such a measure can be used successfully. Of course the overwhelming majority of the population will have to be against the government. But the military aspect of the question may possibly make it necessary that the majority to be secured will have to be even greater than was at first contemplated, and that an even more intense struggle will have to be carried on. The Bismarcks of the world are already using armies as strike breakers and training them especially for this purpose, while even the more democratic and peaceful States, like England and France, are rapidly following in the same direction. Of course, as Bismarck said, not all of a large army can be so used, but there is a strong tendency in Russia and Germany, which may be imitated elsewhere, for the military leaders to concentrate their efforts and attention on the picked and more or less professional part of their armies, and it is this part that is being used for strike-breaking purposes.

No one has dealt more ably with this struggle between the working people and coercive government than Karl Liebknecht, recently elected to the Reichstag from the Kaiser's own district of Potsdam, who spent a year as a political

prisoner in Germany for his "Militarismus und Anti-Militarismus." Liebknecht opens his pamphlet by quoting a statement of Bismarck to Professor Dr. Otto Kamaell, in October, 1892: —

"In Rome water and fire were forbidden to him who put himself outside of the legal order. In the middle ages that was called to outlaw. It was necessary to treat the Social-Democracy in the same way, to take away its political rights and its right to vote. So far I have gone. The Social-Democratic question is a military question. The Social-Democracy is being handled now in an extraordinarily superficial way. The Social-Democracy is striving now — and with success — to win the noncommissioned officers. In Hamburg already a good part of the troops consist of Social-Democrats, since the people there have the right to enter exclusively into their own battalion. What now if these troops should refuse to shoot their fathers and brothers as the Kaiser has demanded? Shall we send the regiments of Hanover and Mecklenburg against Hamburg? Then we have something there like the Commune in Paris. The Kaiser was frightened. He said to me he wouldn't exactly care about being called a cardboard prince like his grandfather, nor at the very beginning of his reign to wade up to the knees in blood. Then I said to him, 'Your Majesty will have to go deeper if you give way now.'"

Here we have it from the lips of Bismarck that the Social-Democratic question was already a military question in his time, and his view is supported by the present Kaiser. This is high authority. Similar views and threats have been common among the statesmen of our time in nearly every country.

As early as 1903 the government of Holland broke a large general strike by the use of the army to operate the railroads, and the same thing was done in Hungary in the following year. Indeed, these measures had such a great success that the Hungarian government went farther two years later, and took away the right of organization from the agricultural laborers; while at the same time it used the army as strike breakers in harvest time and made permanent arrangements for doing this in a similar contingency in the future. In the matter of breaking railway strikes by soldiers, Bulgaria and other countries are following Holland and Hungary. The latest and most extraordinary example is undoubtedly the use of soldiers by the "Socialist" Briand to break the recent railroad strike in democratic France. (3)

Even peaceful countries like Belgium and Switzerland,

Great Britain, and the United States, are developing and changing their military systems so rapidly as to make it almost certain that they would take similar measures if occasion should arise.

The agitation for universal conscription in England may succeed before many years, and the plans for reorganizing the militia in the United States will also make of it a force that can be far more useful in breaking strikes than the present one, and more ready to be used in case of a nation-wide strike crisis. Indeed, the Dick military law made every possible provision for the use of the military in internal disturbances, up to the point of enlisting every citizen and making a dictator of the President.

Similar tendencies exist on the Continent of Europe. Formerly the militia of Switzerland was quite democratically organized, and each man kept his gun and ammunition at home, but the government is gradually doing away with this system and modeling the army every year more closely on that of the larger and less democratic European powers. In Belgium a similar movement can be seen in the creation of a Citizens' Guard, entirely for use at home and especially against strikers. (3)

Here, then, is a situation to which every Socialist is forced to give constant thought, no matter how peace-loving and law-abiding he may be. What is there in modern systems of government to prevent these large military forces already employed so successfully for the ominous function of strike breaking, from being used for other reactionary and tyrannical purposes — for putting an end to democratic government, when it is attempted to apply it to property and industry? So everywhere Socialists and labor unions are giving special attention to agitation against militarism. Years ago even the most conservative unions began forbidding their members to join the militia, and the practice has become general, while the Boy Scout movement is everywhere denounced and repudiated. Not only is every effort being made by the Socialists, in connection with other democratic elements, to cut off the financial supplies for the army and navy, but they also sought to inspire all the youth, and particularly the children of the workers, with a spirit of revolt against armies, war, and aggressive patriotism, as well as the spirit of servile obedience, the ignorance, and the brutality that invariably accompany them.

For a number of years the fight against militarism, and incidentally against possible wars, has occupied the chief attention of international Socialist congresses. While the Stuttgart Congress (1907) did not accept the proposal of the French delegates that in case of war an international strike and insurrection should be declared, the closing part of the resolution adopted was definitely intended to suggest such action by rehearsing with approval the various cases where the working people had already made steps in that direction, and by advising still more revolutionary action in the future, as indicated in the words italicized.

"The International," it said, "is unable to prescribe one set mode of action to the working classes; this must of necessity be different in different lands, varying with time and place. But it is clearly its duty to encourage the working classes everywhere in their opposition to militarism. As a matter of fact, since the last International Congress, the working classes have adopted various ways of fighting militarism, by refusing grants for military and naval armaments, and by striving to organize armies on democratic lines. They have been successful in preventing outbreaks of war, or in putting an end to existing war, or the rumor of war. We may mention the agreement entered into between the English and French trade-unions after the Fashoda incident, for the purpose of maintaining peace and for reëstablishing friendly relations between England and France; the policy of the Social-Democratic parties in the French and German Parliaments during the Morocco crisis, and the peaceful declarations which the Socialists in both countries sent each other; the common action of the Austrian and Italian Socialists, gathered at Trieste, with a view to avoiding a conflict between the two powers; the great efforts made by the Socialists of Sweden to prevent an attack on Norway; and lastly, the heroic sacrifices made by the Socialist workers and peasants of Russia and Poland in the struggle against the war demon let loose by the Czar, in their efforts to put an end to their ravages, and at the same time *to utilize the crisis* for the liberation of the country and its workers.

"All efforts bear testimony to the growing power of the proletariat and to its absolute determination to do all it can in order to obtain peace. The action of the working classes in this direction will be even more successful when public opinion is influenced to a greater degree than at present, and *when the workingmen's parties in different lands are directed and instructed by the International.*" And finally it was decided *to try to take advantage of* the profound disturbances caused by every war to *hasten the abolition of capitalist rule.*

The International Congress of 1910 referred back to the Socialist parties of the various countries for further considera-

tion a resolution proposed by the French and English delegates which declared: "Among the means to be used in order to prevent and hinder war, the Congress considers as particularly efficacious the general strike, especially in the industries that supply war with its implements (arms and ammunition, transport, etc.), as well as propaganda and popular action in their active forms."

This resolution is now under discussion. In referring it to the national parties, the International Socialist Bureau reminded them that the practical measure the authors of the amendment had principally in view was "the strike of workingmen who were employed in delivering war material." The Germans opposed the resolution on the ground that a strike of this kind, guarded against by the government, would have to become general, and that during the martial law of war times it would necessarily mean tremendous violence. They contended that a more effective means of preventing war, *until the Socialists are stronger*, is to vote down all taxes and appropriations for armies and navies. And they accused the British Labourites who supported this resolution of having failed to vote against war supplies, while the Germans and their supporters had. This accusation was true, as against the British Labourites, but did not apply against the French and other Socialists who were for the resolution.

We can obtain a key to this situation only by examining the varying motives of reformists and revolutionaries. The French reformists, followers of Jaurès, are so anxious for peace, that, notwithstanding the fact that many capitalists, probably a majority, now also favor it, they are ready to have the working people make the most terrible sacrifices for this semi-capitalistic purpose. (See Part II, Chapter V.) The Germans realize that the capitalists themselves have more and more reasons for avoiding wars, and, being satisfied with their present political prospects, do not propose to risk them — or their necks — for any such object. The French *revolutionaries*, on the other hand, favor extreme measures, not to preserve a capitalistic peace, but to develop the general strike, to paralyze armies, and encourage their demoralization and dissolution. They want to parallel all plans for mobilization by plans for insurrection, and to force armies to disclose their true purpose, which they believe is not war at all, but the arbitrary and violent suppression of popular movements.

Whether capitalism or Socialism puts an end to *war*, Socialists generally are agreed their success may ultimately depend on their ability to find some way to put a check to *militarism*. The chief means by which this is likely to be accomplished, they believe, is by the spread of Socialism and the education of youth and even of children in the principles of international working-class solidarity, *always to put the humanity as a whole above one's country*, always to despise and revolt against all kinds of government by violence. Karl Liebknecht remarks that "it is already recognized that every Social-Democrat educates his children to be Social-Democrats." But he says that this is not sufficient. Social-Democratic parents do their best, but the Socialist public must aid them to do better. In other words, the greatest hope for Socialism, in its campaign against militarism as in all else it undertakes, lies in education.

The Socialist movement, even if it becomes some day capable of forcing concessions from the capitalists through their fear of a social overturn, depends first, last, and always upon its ability to teach and to train and to organize the masses of the people to solve their own problems without governmental or capitalistic aid, and to understand that, in order to solve them successfully, they must be able to take broad and far-sighted views of all the political and economic problems of the time.

Especially Socialists undertake to enlighten the masses on the part played by war in history and in recent times — not because wars are necessarily impending, but because the war talk is an excuse for armies that really serve another purpose. For Socialists believe that the rule of society by economic classes, and rule by war or brute force, in the Socialist view, are one and the same thing. No Socialist has expressed this view more clearly or forcefully than Mr. George R. Kirkpatrick, in his recent book, "War — What For?" Addressed to the heart as well as to the head, and based upon all the most important of the previous attacks on militarism war, whether Socialist or not, it may be doubted whether any non-Socialist could have presented as powerful an argument. Mr. Kirkpatrick gives the following interesting outline of the typical Socialist view of the development of primitive warfare into modern militarism and of slavery into the present industrial system (here abbreviated): —

"For a long time in these intertribal wars it was the practice to take no prisoners (except the younger women), but to kill, kill, kill, because the conquerors had no use for the captive men. When, however, society had developed industrially to a stage enabling the victors to make use of live men as work animals, *that new industrial condition produced a new idea* — one of the greatest and most revolutionary ideas that ever flashed into the human brain; and that idea was simply this: A live man is worth more than a dead one, if you can make use of him as a *work animal.* When industrially it became practicable for the conquerors to make use of live men captured in war, it rapidly became the custom to take prisoners, save them alive, beat them into submission — tame them — and thus have them for work animals, human work animals.

"Here the human ox, yoked to the burdens of the world, started through the centuries, centuries wet with tears and red with blood and fire.

"Thus originated a *class* of workers, the *working class.*

"Thus also originated the *ruling* class. Thus originated the 'leading citizens.'

"Thus originally, in war, the workers fell into the bottomless gulf of misery. It was thus that war opened wide the devouring jaws of hell for the workers.

"Thus was human society long ago divided into industrial classes — into *two* industrial classes.

"Of course the interests of these two classes were in fundamental conflict, and thus originated the class struggle.

"Of course the ruling class were in complete possession and control of all the powers of government — and of course they had *sense enough to use the powers of government to defend their own class interests.*

"Of course the ruling class made all the laws and controlled all institutions in the interests of the ruling class — naturally." (5)

With all other international and revolutionary Socialists, Mr. Kirkpatrick believes that when the masses are educated to see the truth of this view and have learned the true nature of modern industry, class government, and armies, they will put an end to them. He concludes: —

"The working class men *inside* and *outside* the *army* are confused.

"They do not understand.

"But they will understand.

"AND WHEN THEY DO UNDERSTAND, their class loyalty and class pride will astonish the world. They will stand erect in their vast class strength and defend — THEMSELVES. They will cease to coax and tease; they will make *demands* — unitedly. They will desert the armory; they will spike every cannon on earth; they will scorn the commander; they will never club nor bayonet another striker;

and in the legislatures of the world they will shear the fatted parasites from the political and industrial body of society." (6)

Here we have both the Socialist point of view and a glimpse of the passionate feeling that accompanies it. "War — What For?" has been circulated by scores of thousands among the working people and in the army and navy.

In countries like America and England, where there is no compulsory service, the practical objective of such agitation is to prevent enlistment. In France, Belgium, and Italy, where there is compulsory service, the Socialists for years have been preaching openly desertion and insubordination.

Complaint against this anti-military propaganda is general in United States army and navy circles. Recently a general in Southern California was said by the press to have reported to Washington that the distribution of one circular had dissuaded many men from joining the army. The circular, which was published, was attributed, whether rightly or not we do not know, to Jack London. It ran in part: —

"Young men, the lowest aim in your life is to be a soldier. The good soldier never tries to distinguish right from wrong. He never thinks; he never reasons; he only obeys. If he is ordered to fire on his fellow citizens, on his friends, on his neighbors, on his relatives, he obeys without hesitation. If he is ordered to fire down a crowded street when the poor are clamoring for bread, he obeys, and sees the gray hair of age stained with blood and the life tide gushing from the breast of women, feeling neither remorse nor sympathy. If he is ordered off as one of a firing squad to execute a hero or benefactor, he fires without hesitation, though he knows that the bullet will pierce the noblest heart that ever beat in a human breast.

"A good soldier is a blind, heartless, soulless, murderous machine. He is not a man. He is not even a brute, for brutes only kill in self-defense. All that is human in him, all that is divine in him, all that constitutes the man, has been sworn away when he took the enlistment roll. His mind, conscience, aye, his very soul, is in the keeping of his officer."

This language will appeal to many as extremely violent, yet it is no stronger than that of Tolstoi, while Bernard Shaw used almost identical expressions in his Preface to "John Bull's Other Island," without anybody suggesting that they were treasonable.

"The soldier," said Shaw, "is an anachronism of which we must get rid. Among people who are proof against the suggestions of romantic fiction there can no longer be any question of the fact that

military service produces moral imbecility, ferocity, and cowardice. . . . For permanent work the soldier is worse than useless; such efficiency as he has is the result of dehumanization and disablement. His whole training tends to make him a weakling. He has the easiest of lives; he has no freedom and no responsibility. He is politically and socially a child, with rations instead of rights, treated like a child, punished like a child, dressed prettily and washed and combed like a child, excused for outbreaks like a child, forbidden to marry like a child, and called Tommy like a child. He has no real work to keep him from going mad except housemaid's work."

Mr. Shaw's words are identical with those that are preached by Socialists every day, especially on the Continent.

"No soldier is asked to think for himself," he says, "to judge for himself, to consult his own honor and manhood, to dread any consequence except the consequence of punishment to his own person. The rules are plain and simple; the ceremonies of respect and submission are as easy and mechanical as a prayer wheel, the orders are always to be obeyed thoughtlessly, however inept or dishonorable they may be. . . . No doubt this weakness is just what the military system aims at, its ideal soldier being, not a complete man, but a docile unit or cannon fodder which can be trusted to respond promptly and certainly to the external stimulus of a shouted order, and is intimidated to the pitch of being afraid to run away from a battle."

Nor is Mr. Shaw less sparing to the officer, and he represents in this case also the most unanimous Socialist view: —

"If he [the officer] calls his men dogs," says Shaw, "and perverts a musketry drill order to make them kneel to him as an act of personal humiliation, and thereby provokes a mutiny among men not yet thoroughly broken in to the abjectness of the military condition, he is not, as might be expected, shot, but, at the worst, reprimanded, whilst the leader of the mutiny, instead of getting the Victoria Cross and a public testimonial, is condemned to five years' penal servitude by Lynch Law (technically called martial law) administered by a trade union of officers."

Like all Socialists, Mr. Shaw recognizes that the evils of militarism rest even more heavily on subject peoples than on the soldiers, citizens, or taxpayers of the dominating races. He says of the officer he has been describing, who is humane and intelligent in civil life, that in his military capacity he will frantically declare that "he dare not walk about in

a foreign country unless every crime of violence against an Englishman in uniform is punished by the bombardment and destruction of a whole village, or the wholesale flogging and execution of every native in the neighborhood; and also that unless he and his fellow officers have power, without the intervention of a jury, to punish the slightest self-assertion or hesitation to obey orders, however grossly insulting or disastrous those orders may be, with sentences which are reserved in civil life for the worst crimes, he cannot secure the obedience and respect of his men, and the country would accordingly lose all of its colonies and dependencies, and be helplessly conquered in the German invasion which he confidently expects to occur in the course of a fortnight or so."

"That is to say," Mr. Shaw continues, "in so far as he is an ordinary gentleman he behaves sensibly and courageously; and in so far as he is a military man he gives way without shame to the grossest folly, cruelty, and poltroonery. If any other profession in the world had been stained by those vices and by false witness, forgery, swindling, torture, compulsion of men's families to attend their executions, digging up and mutilation of dead enemies, all of which is only added to the devastation proper to its own business, as the military profession has been within recent memory in England, France, and the United States of America (to mention no other countries), it would be very difficult to induce men of capacity and character to enter it. And in England, it is, in fact, largely dependent for its recruits on the refuse of industrial life, and for its officers on the aristocratic and plutocratic refuse of political and diplomatic life, who join the army and pay for their positions in the more or less fashionable clubs which the regimental messes provide them with — clubs, which, by the way, occasionally figure in ragging scandals as circles of extremely coarse moral character." (6)

It is not surprising that those who view armies in this light preach desertion and insubordination. A recent cable dispatch sums up some of the results of the activity in this direction of the French Federation of Labor with its million members, and of the Socialist Party with its still larger following: —

"Last year there were 13,500 desertions and 53,000 who refused to answer their call to military service. Loss to France in 1910, two army corps. These figures are given by *La France Militaire*, a soldiers' newspaper. In a fund called '*le sou du soldat et des insoumis*,' the idea was to develop antimilitarism and antipatriotism.

Five per cent, on the subscriptions of the workmen, belonging to the labor unions, was ordered to be set apart for this fund. The conscripts before departing were requested to leave the name of their regiment and their number so that sums of money might be sent to them for antimilitary propaganda in the barracks. For eight years that sort of thing has been going on, but things never reached to the extent they do now.

"'The comrades of the workshop count on them to spread among those around ideas of revolt and rebellion,' is an extract from a letter read by M. Georges Berry in Parliament, and he added that he had a score of such letters emanating from the unions. In M. Jaurès's organ, *L Humanité*, there appeared an article on December 22, 1910, inviting all the conscripts of the Labor Federation to send in their names so that financial aid might be sent to help them in organizing 'insubordination and desertion.'"

When the Caillaux Ministry came into power in 1911, a large number of the most prominent leaders of the Federation of Labor were arrested for participation in this agitation. But for every arrest many other unionists signed declarations favoring identical principles, and as the whole Federation is wedded to this propaganda, it is more than doubtful if the whole million can be arrested and the propaganda done away with.

This agitation is not directed primarily against possible war, or even exclusively against compulsory military service. Just as the preparations for an insurrectionary general strike in case of war tend to break down the power and prestige of the army, even if war is never declared, so the teaching of insubordination and desertion have the same effect, even if the compulsory armies are replaced by a compulsory militia, having only a few weeks of drill every year, as in Australia, or by a voluntary militia, as in this country. The Socialist world accepts the word of the American Socialists that a militia, if less burdensome, and less obnoxious in many ways than a standing army, may be just as thoroughly reactionary, and quite as hostile to the working class. The French Socialists and unionists encourage all general and organized movements among common soldiers. And their ideal in this regard is reached when a whole body of soldiers, for any good cause, revolts — especially at a time of popular demonstrations. During the wine troubles in the south of France, a whole regiment refused to march — and for years afterwards was toasted at Socialist gatherings.

"Military strikes" have also been frequent in Russia as well as in France — and have received the unanimous approval of the Socialists of all countries. No matter how small the causes, Socialists usually justify them, because they consider military discipline in itself wholly an evil — and the worst tyranny of capitalist government. They promote military revolts in favor of great popular causes for a double reason, and they also have a double motive for supporting purely military revolts against militarism. For if Socialists are engaged in a class war, which practically all of them believe may, and many believe must, lead to revolution, it is as necessary to disarm the opposing classes as it is to abolish military discipline because of its inherent evil. It is this fact that explains the importance of all Socialist efforts against imperialism, colonialism, nationalism, patriotism, war and armies — and not the idea, common among Socialists, that Socialism alone can be relied on to establish permanent international peace.

Moreover, the most successful attacks on existing governments in their coercive and arbitrary aspects, as the Stuttgart resolution suggests (see above), have been when there were threats of an unpopular war. The Socialist attack is then not only leveled against war, but also against armies. A good example is the sending of a delegation of workingmen to Berlin by the French federation at the invitation of that of Germany at the time of the Morocco affair (July, 1911). There the Secretary of the associated labor councils of France, Yvetot, made a speech, the importance of which was fully appreciated by the German government, which ordered him to be immediately expelled. His remarks were also appreciated by his German Socialist audience which responded to them by stormy applause lasting several minutes. The sentiments so widely appreciated were contained in the following remarks addressed to the French and German governments: —

> "Just try once, you blockheads, to stir up one people against the other, to arm one people against the other, you will see if the peoples won't make an entirely different use of the weapons you put into their hands. Wait and see if the people don't go to war against an entirely different enemy than you expect."

The significance of this declaration was not that it declared war against war, but that, under a certain highly probable

contingency of the immediate future, it prepared the minds of the people for the forceful overthrow of capitalist governments.

To the preparations of capitalist governments to revert to military rule in the case of a successful nation-wide general strike, the Socialists reply at present by plans for weakening and disintegrating armies. And they do not hesitate to say that they will use more active measures if capitalist governments persist in what seems to be their present determination to resort to some form of military despotism when the Socialists have won over a majority of the population to their views.

CHAPTER VIII

POLITICAL AND SOCIAL REVOLUTION

"The legal constitution of every period," says Rosa Luxemburg, "is solely a product of revolution. While revolution is the political *act of creation* of class history, legislation is the continued political *growth* of society. The work of legal reform has in itself no independent driving force outside of the revolution; it moves during each period of history only along that line and for that period of time for which the impetus given to it during the last revolution continues, or, to speak concretely, it moves only in the frame of that form of society which was brought into the world through the last overturn. . . . Therefore, *the person who speaks for the method of legal reform instead of the conquest of political power and the overthrow of* [*present day*] *society is not as a matter of fact seeking, in a quieter, safer, and slower way, the same goal, but a different goal altogether;* namely, instead of bringing about a new social order, merely the accomplishing of unessential changes in the old one." (1)

It is not that Rosa Luxemburg or any other prominent Socialist underestimates the importance to the Socialist movement of universal suffrage, and of the utlization of our more or less democratic governments for the purpose of reform. She realizes that such democracy as we have to-day is useful to-day, and that in a future crisis it may serve as a lever for overturning the present social order. "Democracy is indispensable," she says, "not because it makes the conquest of political power by the working class superfluous, but, on the contrary, because it makes this seizure of power not only necessary, but the only remaining alternative."

From Kautsky and Bebel, who have always been known as strong believers in the possibilities of political action, to the somewhat skeptical revolutionary Socialists of France, the ballot has thus far remained the weapon of first practical importance, even for revolutionary purposes. Bebel expects some day a great crisis which will go far beyond the power

of any merely political means to solve. Kautsky looks forward to more than one great conflict, in which other means will have to be employed, as does also his Socialist critic and opponent, Jaurès. But for the present all these men are occupying themselves with politics.

Even those Socialists who are most skeptical of the revolutionary possibilities of political action by no means turn their back upon it. The French advocate of economic action and revolutionary labor unionism, Lagardelle, who recently surprised some of his French comrades, as I have already pointed out, by running as a candidate for the French Chamber, claimed that he did this in entire consistency with his principles. And even the arch-revolutionary, Gustave Hervé, has declared that in spite of all the faults and limitations of political action, revolutionary Socialists must cling to the Socialist Party. Hervé had looked with a favorable eye on the formation of a revolutionary organization which was to consist only in part of Socialists and in part of revolutionary labor unionists, but he declared at the last moment that such an organization ought to be only a group within the Socialist Party. A bitter critic of Jaurès and also of the orthodox "center" of the party on the ground that their methods are too timid to achieve anything for Socialism in view of the ruthless aggressions of the capitalists, Hervé nevertheless said that it was only very exceptional circumstances that could justify revolutionary Socialists acting against the party organization, even though it seemed to be doing so little effective fighting against the capitalist enemy.

There could be no stronger evidence of the powerful hold of political action even on the most revolutionary Socialists than the summary in which Hervé reviews his reasons for this conclusion: —

"*First:* That the only manner of agitating for anti-parliamentarism that succeeds, and is without danger, is before and after electoral periods — showing constantly to the élite of the proletariat the insufficiency and dangers of parliamentarism in general and parliamentarist Socialism in particular;

"*Second:* During electoral periods all propaganda disparaging the possibilities of politics unaided by other forms of action should cease, 'in order not to embroil ourselves with the Socialist masses who must be handled carefully at any cost, in the interest of the revolutionary cause';

"*Third:* While the revolutionary Socialists' discontent with the party's moderation and exclusive absorption in the details of politics or reform ought not to lead them to oppose the organization during election periods, it does not follow that revolutionary Socialists can not even at such times continue to preach their principles and proclaim their hatred to the conservative parties and their attitude towards the Parliamentary Socialist Party 'of sympathy mixed with distrust';

"*Fourth:* An exception should be made against certain Socialist candidates who may have taken a scandalously conservative anti-labor and anti-revolutionary position in the legislative session just gone by, and that against the latter there should be a fight to the finish, certain as we are of having with us almost the entire support of the parliamentary Socialist Party." (2)

In a word, Hervé proves his democracy by respecting the opinion of the majority of the Socialist Party, because he hopes and believes that it will become revolutionary in his sense of the word. With a strong preference for "direct action," strikes, "sabotage," boycotts, etc., he yet allows his policies to be guided very largely by a political organization.

But Socialist politics are not politics at all in the ordinary sense of the word. They are directed primarily to prepare the people for a great struggle to come. "Situations are approaching," said Bebel at the Congress at Jena, in 1905, "which must of physical necessity lead to catastrophes unless the working class develop so rapidly in power, numbers, culture, and insight, that the bourgeoisie lose the desire for catastrophes. We are not seeking a catastrophe, — what use would it be to us? Catastrophes are brought about by the ruling classes." Bebel was referring particularly to the possibility and even the probability that the German government might try to destroy the Socialist Party by limiting the right of suffrage or to crush the unions by limiting the right of labor to organize. If he predicted a revolutionary crisis, it was to come from a life-and-death struggle of the working people in self-defense, in a desperate effort to protect economic and political rights, but especially *political* rights, which, as the labor unionist, von Elm, said at this congress, were "the key to all." A revolutionary conflict was anticipated, to be fought out by economic means, but only as part of a political crisis — in which the majority of the people would be on the side of the Socialists and the labor unions. Similarly, in America, Mr. Victor Berger stated

at the Socialist Convention of 1908 that he had no doubt that "in order to be able to shoot even, some day, we must have the powers of the political government in our hands, at least to a great extent."

While neither the political revolution involved in the capture of government by Socialist voters, nor the economic revolution that would follow a wholly successful general strike would lead necessarily to revolution in its narrow sense of a great but relatively brief crisis, or to revolutionary violence; while either political or economic overturn, or both, combined in a single movement, might be accomplished peacefully and by degrees, capitalist governments are just as likely to seize the one as the other, as the occasion for attempts at violent repression. A complete political victory would thus lead to the same crisis and violence as a victorious general strike.

As Bebel says, Socialists are not trying to create a revolutionary crisis. But they have little doubt that the capitalists themselves will precipitate one as soon as Socialism becomes truly menacing, as may happen within a few years in some countries. "The politicians of the ruling class have reached a condition where they are ready to risk everything upon a single throw of the dice," says Kautsky, on the supposition that Socialism is *already* a real menace in Germany. "They would rather take their chances in a civil war than endure the fear of a revolution," he continues. "The Socialists on the other hand, not only have no reason to follow suit in this policy of desperation, but should rather seek by every means in their power to postpone any such insane uprising [of the capitalists] even if it be recognized as inevitable, to a time when the proletariat will be so powerful as to be able at once to whip the enraged [capitalist] mob, and to restrain it, so that the one paroxysm shall be its last, and the destruction that it brings and the sacrifice it costs shall be as small as possible." (3)

The majority of Socialists have no inclination towards violence of any kind at the present time, whether domestic or foreign, and will avoid it also for all time if they can. But they fear and expect that the present ruling class will undertake violent measures of repression which will inevitably result in a conflict of physical force.

The Civic Federation, of which so many conspicuous Americans have been members (including Grover Cleveland,

Andrew Carnegie, August Belmont, Seth Low, Nicholas Murray Butler, and other prominent philanthropists, educators, statesmen, publicists, and multimillionaires), had its earliest origin, to the author's personal knowledge, partly in an effort to divert the energies of the working people from Socialism and revolutionary unionism to the conservative trade unionism of the older British type. It was natural that this organization should give more and more of its attention to an organized warfare against the Socialist movement as the latter continued to grow, and this it has done. Its members have attacked the movement from every quarter, accusing it of a tendency to undermine religion, the family, and true patriotism. But the most direct and important accusation it has made has been that the Socialists are working toward revolutionary violence. In its official organ it has quoted Mr. Debs as saying: "When the revolution comes we will be prepared to take possession and assume control of every industry." The quotation is fairly chosen, and represents the Socialist standpoint, but if it is to be thoroughly understood it must be taken in connection with other positions taken by the party. No revolution is contemplated, other than one of the overwhelming majority of the people, nor is any violence expected, other than such that may be instigated by a privileged minority in order to prevent the majority from gaining control of the government and industries of the country.

That the Civic Federation writers also understand that the violence may come from above rather than from below is clearly shown in the context of the article in question. The Federation organ also attacks Mrs. J. G. Phelps Stokes for having said, at Barnard College, that the present government would probably be overturned by the ballot. In answer to this, the Federation's organ said, "Mrs. Stokes is a woman of intelligence and doubtless knows that States are not overturned by ballots." Here is a categorical denial on the part of an organ representing the most powerful privileged element in the country, of the possibility of *peaceful* political revolution, which can only mean that if a majority desires such a peaceful revolutionary change, the minority now in power will use violence to prevent it. An article by one of the Federation's officials, Ada C. Sweet, in the same number, makes still further disclosures. Among the "fantastic projects and schemes of Socialism," she says, are the demand

"that the Constitution be made amendable by a majority vote," and the demand for the abolition of that feature of our government "which makes the Supreme Court the final interpreter and guardian of the federal Constitution." These demands, of course, are becoming common outside of the Socialist Party, and would simply move the United States up to the semi-democratic level of constitutions made during the last half century. Indeed, the judicial precedents that have created an oligarchy of judges in this country, though they have existed for a century, have never been imitated by any country on earth, civilized or uncivilized, with the single exception of Australia. It is these demands, which would not be held even as radical in other countries, which Miss Sweet says cannot be accomplished without violence. If this is so, it means that violence will come from above, and the Socialists would be cowards indeed if they were not ready to resist it.

Miss Sweet contends that "to bring about the first practical experiments" demanded by Socialism "would start such a civil war as the world has never yet seen in all its long history." (4) No doubt the writer, who has held a responsible position with the Civic Federation for years, represents the opinions of her associates. Her prediction may be correct, and if so it would indicate that the people who at present control this country and its government, and who have the power to initiate such a civil war, are determined to do so.

While Socialists have no desire for revolutionary violence, being convinced, as they are, that the present generation will see the majority of the voters of every modern country in their ranks, and Socialists by right in possession of the legal powers of government, they nevertheless have never been blind to the readiness of the plutocratic and militaristic forces in control of governments to proceed to illegal *coups d'état*, to destroy all vestiges of democracy, if thought necessary, and to use every form of violence, as soon as they feel that they are beginning to lose their political power. The evidence that this is already the intention is abundant.

There is no one who has recognized more clearly than the recent "Socialistic" Prime Minister of France (Briand) that the ruling classes force the people to fight for every great advance. In the French Socialist Congress of Paris, in 1899, Briand said: "Now I must reply to those of my friends who through an instinctive horror of every kind of

violence have been brought to hope that the transformation of society can be the work of evolution alone. . . . Such certainly are beautiful dreams, but they are only dreams. . . . In a general way, in every instance, history demonstrates that the people have scarcely obtained anything except what they have been able to take for themselves. . . . It is not through a fad, and much less through the love of violence, that our party is and must remain revolutionary, but by necessity, one might say by destiny. . . . In our Congress we have even pointed out forms of revolt, among the first of which are the general strike." In the International Congress at Paris in 1900, Briand again advocated the general strike on the ground that it was "necessary as a pressure on capitalistic society, indispensable for obtaining continued ameliorations of a political and economic kind, and also, under propitious circumstances, for the purposes of social revolution." Nor can there be any doubt as to the revolutionary meaning of Briand when he advocated the general strike. In 1899 he had said, "One can discuss a strike of soldiers, one can even try to make ready for it . . . our young military Socialists busy themselves in making the workingman who is going to quit his shop, and the peasant who is going to desert his fields to go into the barracks, understand that there are duties higher than those discipline would like to impose upon them." I have already quoted his recommendation, made on this occasion, that in the case of a social crisis the soldiers might fire, but need not necessarily fire in the direction suggested by the officers. As late as 1903 he took up the defense of Gustave Hervé, when the latter was accused of anti-militarism, and said before the court: "I am glad to declare that I am not led here by a chance client, I am not here to-day as an advocate pleading for his clients. I am here in a complete and full community of ideas with friends, for whom it is less important that I should defend their liberty, than that I should explain and justify their thought and their writings."

There can be no question that the opinions expressed by Briand at this time are approximately those of the majority of the European Socialists to-day. Some of the leading spokesmen of the Socialists are no doubt somewhat more cautious of the form of their statements. But the modifications they would make in Briand's statement would be due, not to any objection in principle, but to expediency and

the practical limitations of such measures as he advocates in each given case.

The great majority of Socialists feel that a premature revolutionary crisis at the present moment would endanger or postpone the success of a political revolution, peaceful or otherwise, when the time for it is ripe. The position of Kautsky will show how very cautious the most influential are. The movement has become so strong in Germany that it might be supposed that the German Socialists would no longer fear a test of strength. But this is not the case. They feel, on the contrary that every delay is in their favor, as they are making colossal strides in their organization and propaganda, while the political situation is becoming more and more critical.

"Our recruiting ground," says Kautsky, "to-day includes fully three fourths of the population, probably even more; the number of votes that are given to us do not equal one third of all the voters and not one fourth of all those entitled to vote. But the rate of progress increases with a leap when the revolutionary spirit is abroad. It is almost inconceivable with what rapidity the mass of the people reach a clear consciousness of their class interests at such a time. Not alone their courage and their belligerency, but their political interest as well, is spurred on in the highest degree through the consciousness that the hour has at last come for them to burst out of the darkness of night into the glory of the full glare of the sun. Even the laziest become industrious, even the most cowardly become brave, and even the most narrow gains a wider view. In such times a single year will accomplish an education of the masses that would otherwise have required a generation." (5)

Kautsky's conception of the probable struggle of the future shows that, together with the millions of Socialists he represents, he expects the great crisis to develop gradually out of the present-day struggle. He does not expect a precipitate and comparatively brief struggle like the French Revolution, but rather "long-drawn-out civil wars, if one does not necessarily give to these words the idea of actual slaughter and battles."

"We are revolutionists," Kautsky concludes, "and this is not in the sense that a steam engine is a revolutionist. The social transformation for which we are striving can be attained only through a political revolution, by means of the conquest of political power by the fighting proletariat. The only

form of the State in which Socialism can be realized is that of a republic, and a thoroughly democratic republic at that.

"The Socialist Party is a revolutionary party, but not a revolution-making party. We know that our goal can be obtained only through a revolution. We also know that it is just as little in our power to create this revolution as it is in the power of our opponents to prevent it." (6)

The influential French Socialist, Guesde, agrees with Kautsky that a peaceful solution is highly improbable, and that the revolution must be one of an overwhelming majority of the people, not artificially created, but brought about by the ruling classes themselves.

Of course a peaceful revolution might be accomplished gradually and by the most orderly means. If, however, these peaceful and legal means are later made illegal, or widely interfered with, if the ballot is qualified or political democracy otherwise thwarted, or if the peaceful acts of labor organizations, with the extension of government ownership, are looked upon as mutiny or treason, — then undoubtedly the working people will regard as enemies those who attempt to legalize such reaction, and will employ all available means to overthrow a "government" of such a kind.

From Marx and Bebel none of the most prominent spokesmen of the international movement have doubted that the capitalists would use such violent and extreme measures as to create a world-wide counter-revolution, and began to make their preparations accordingly. This is why, half a century ago, they passed beyond mere "revolutionary talk," to "revolutionary action." This practical "revolutionary evolution," as he called it, was described by Marx (in resigning from a communist society) in 1851: "We say to the working people, 'You will have to go through ten, fifteen, fifty years of *civil wars and wars between nations* not only to change existing conditions, but to *change yourselves and to make yourselves worthy of political power.*'" (My italics.)

"Revolutionary evolution" means that Socialists expect, not a single crisis, but a long-drawn-out series of revolutionary, political, civil, and industrial conflicts. If we substitute for the insurrectionary civil wars of Marx's time, *i.e.* of the periods of 1848 and 1870, the *industrial* civil wars to-day, *i.e.* the more and more widespread and successful, the more and more general, strikes that we have been witnessing since 1900, in countries so widely separated and representative as France,

England, Sweden, Portugal, and Russia and Argentine Republic, Marx's view is that of the overwhelming majority of Socialists to-day.[a]

The suppression of such widespread strikes will become especially costly as "State Socialism" brings a larger and larger proportion of the wage earners under its policy of "efficiency wages," so that their incomes will be considerably above the mere subsistence level. A large part of these increased wages can and doubtless will be used against capitalism. Socialists believe that strikes will become more and more extended and protracted, until the capitalists will be forced, sooner or later, either to repressive violence, or to begin to make vital economic or political concessions that will finally insure their unconditional surrender.

Already many non-Socialist observers have firmly grasped the meaning of revolutionary Socialism. As a distinguished American editor recently remarked, "Universal suffrage and universal education mean universal revolution; *it may be — pray God it be not — a revolution of brutality and crime.*" (7) The ruling minority have put down revolutions in the past by "brutality and crime" under the name of martial "law." Socialists have new evidences every day that similar measures will be used against them in the future, from the moment their power becomes formidable.

[a] A leading article of the official weekly of the German Socialist Party on the eve of the elections of 1912 gives the strongest possible evidence that the German Socialists regard the ballot primarily as a means to revolution. The article is written by Franz Mehring, the historian of the German movement, and its leading argument is to be found in the following paragraphs: —

"The more votes the Social-Democracy obtains in these elections, the more difficult it will be for the Reaction to carry out exceptional laws [referring to Bismarck's legislation practically outlawing the Socialists], and the more this miserable weapon will become for them a two-edged sword. Certainly it will come to that [anti-Socialist legislation] in the end, for no one in possession of his five senses believes that, when universal suffrage sends a Social-Democratic majority to the Reichstag, the ruling classes will say with a polite bow: 'Go ahead, Messrs. Workingmen; you have won, now please proceed as you think best.' Sooner or later the possessing classes will begin a desperate game, and it is as necessary for the working classes to be prepared for this event as it would be madness for them to strengthen the position of their enenies by laying down their arms. It can only be to their advantage to gather more numerous fighting forces under their banner, even if by this means they hasten the historical process [the day when anti-Socialist laws will be passed], and indeed precisely because of this.

"La Salle used to say to his followers in confidential talks: 'When I speak of universal suffrage you must always understand that I mean revolution.' And the Party has always conceived of universal suffrage as a means of revolutionary recruiting" (*Die Neue Zeit*, December 16, 1911).

CHAPTER IX

THE TRANSITION TO SOCIALISM

THE Socialist policy requires so complete a reversal of the policy of collectivist capitalism, that no government has taken any steps whatever in that direction. No governments and no political parties, except the Socialists, have any such steps under discussion, and finally, no governments or capitalist parties are sufficiently alarmed or confused by the menace of Socialism to be hurried or driven into a policy which would carry them a stage nearer to the very thing they are most anxious to avoid.

If we are moving towards Socialism it is due to entirely different causes: to the numerical increase, and the improved education and organization of the non-capitalist classes, to their training in the Socialist parties and labor unions for the definite purpose of turning the capitalists (as such) out of industry and government, to the experience they have gained in political and economic struggles against overwhelmingly superior forces, to the fact that the enemy, though he can prevent them at present from gaining even a partial control over industry or government, or from seizing any strategic point of the first importance, is utterly unable to crush them, notwithstanding his greater and greater efforts to do so, and cannot prevent them from gaining on him constantly in numbers and superiority of organization.

If we are advancing towards Socialism, it is not because the non-capitalist classes, when compared with the capitalists, are gradually gaining a greater share of wealth or more power in society. It is because they are gradually gaining that capacity for organized political and economic action which, though useless except for defensive purposes to-day, will enable them to take possession of industry and government *when their organization has become stronger than that of the capitalists.*

The overwhelming majority of Socialists and labor unionists are occupied either with purely defensive measures or with

preparations for aggressive action in the future. This does not mean that no economic or political reforms of benefit or importance can be expected until the Socialists have conquered capitalism or forced it to recognize their power; I have shown that, on the contrary, a colossal program of such reforms is either impending or in actual process of execution. It means only that for every advance allotted to labor, a greater advance will be gained by the capitalist class which is promoting these reforms, that their most important effect is to increase the *relative power* of the capitalists.

The first governmental step towards Socialism will have been taken when the Socialist organizations are able to say: *During this administration the position of the non-capitalist classes has improved faster than that of the capitalists.* But even such a governmental step towards Socialism does not mean that Socialism is being installed. It may be followed by a step in the opposite direction. *No advance can be permanently held until the organizations of non-capitalists have become superior to or at least as powerful as those of the capitalists.* An actual step *in* Socialism, moreover, as distinct from such an insecure political step *towards* Socialism, depends in no degree upon the action of non-Socialist governments (and still less on local Socialist administrations subject to higher non-Socialist control) unless such governments are already practically vanquished, and so forced to obey Socialist orders. An actual installment of Socialism awaits, first, a certain development of Socialist parties and labor unions, and second, on these organizations securing control of a sovereign and independent government (if there be any such), or of a group of industries that dominates it. And if the governments of the various capitalistic countries are as interdependent as they seem, a number of them will have to be captured before the possession of any is secure.

The essential problem before the Socialists under State capitalism, with every reform now under serious discussion already in force, will be fundamentally the same as it is under the private capitalism of to-day. The capitalists will be even more powerful than they are, the *relative* position of the non-capitalists in government and industry still more inferior than it now is. However, with better health, more means, greater leisure, superior education, with a better organized and more easily comprehended social system, with the enemy more united and more clearly defined, Socialists believe that

the conditions for the successful solution of this problem will be far more favorable.

The evolution of industry and government under capitalism sets the problems and furnishes the conditions necessary for the solution, but the solution, if it comes at all, must come from the Socialists themselves. I have shown what the Socialists are doing to-day to gain supreme control over governments. What do they expect to do when they have obtained that power? I have given little attention to the steps they will probably take at that time because the question belongs to the future, and has not yet been practically confronted. It is impossible to tell how any body of men will answer any question until it is before them and they know their answer must be at once translated into acts. Yet a few concrete statements as to what Socialists expect and intend for the future — especially in those matters where there is practical unanimity among them, may be justified, and may help to define their present aims. There are certain matters where Socialists have as yet had no opportunity to show their position in acts, and yet where their present activities, supported by their statements, indicate what their course will be.

First, how do Socialists expect to proceed during the transitional period, when they have won supreme power, but have not yet had time to put any of their more far-reaching principles into execution? The first of these transitional problems is: What shall be done with those particular forms of private property or privilege which stand in the way of an economic democracy? How far shall existing vested rights be compensated?

"And as for taking such property from the owners," asks Mr. H. G. Wells, "why shouldn't we? The world has not only in the past taken slaves from their owners, with no compensation or with meager compensation; but in the history of mankind, dark as it is, there are innumerable cases of slave owners resigning their inhuman rights. . . . There are, no doubt, a number of dull, base, rich people who hate and dread Socialism for purely selfish reasons; but it is quite possible to be a property owner and yet be anxious to see Socialism come into its own. . . . Though I deny the right to compensation, I do not deny its probable advisability. So far as the question of method goes it is quite conceivable that we may partially compensate the property owners and make all sorts of mitigating arrangements to avoid cruelty to them in our attempt to end the wider cruelties of to-day." (1)

Socialists are, of course, quite determined that either the vested interests of all persons dependent on small unearned incomes and unable otherwise to earn their living shall be protected, or that they shall be equally well provided for by other means. No practical Socialist has ever proposed, during this transitional period, to interfere in any way either with savings bank accounts or with life insurance policies on a reasonable scale, or with widows and orphans who are using incomes from very small pieces of property for identical purposes.

As to the compensation of the wealthier classes, this becomes entirely a secondary question, a matter of pure expediency. The great British scientist and Socialist, Alfred Russell Wallace, and the moderate Socialist, Professor Anton Menger of Vienna, propose almost identical plans of compromise with the wealthy classes, — compromises which would perhaps result in a saving to a Socialist government and might therefore be advisable, aside from any sentimental question of protecting or abolishing vested "rights." Professor Wallace, objects to "continuing any payments of interests beyond the lives of the present receivers and their direct heirs [now living], who may have been brought up to expect such inheritance." For if we were to compensate any others, Wallace points out that we would be "actually robbing the present generation to the enrichment and supposed advantage of certain unborn individuals, who in most instances, as we now know, are much more likely to be injured than benefited." (2) Professor Menger proposes that, in exchange for property taken by the government from owners of large fortunes, there should be allotted to them, and their descendants now living, a modest annuity "sufficient to satisfy their legitimate needs," as being more reasonable than Wallace's plan of such an income as they were "brought up to expect." (3) But in the long run the difference between the two methods would be immaterial — and the one chosen would doubtless depend on the social or anti-social attitude assumed by the wealthy. In either case there would be no unearned incomes in any generation not yet born. On the other hand, it is perfectly possible that a Socialist Party which had seized the reins of political power might, through motives of caution and self-protection, use greater severity against those of the capitalists whom they thought had played an unfair part in the welfare against the installation of the new

government. It is scarcely to be doubted, for instance, that those capitalists who tried to embroil us in foreign wars in order to prevent the establishment of social democracy would probably be exiled and their property confiscated. Certainly these measures would be employed against all such persons as had counseled or participated in the suspension of civil government or other violent measures.

But where will the money come from even for the payment of such limited compensation as the Socialists decide upon? Assuming that the stocks and bonds of the railways and other large businesses were paid for at the cost of reproduction, or, let us say, at 50 per cent their present market value, a vast amount would still be required. The Socialist answer to this question is very brightly given by America's most popular and influential Socialist organ, the *Appeal to Reason*. It reminds us that the Socialists, once having the reins of political power, will then be the possessors of all the credit of the government.

"How much money," asks the *Appeal*, "did Morgan need in order to buy up all the independent steel companies for the steel trust?" And it answers: "Not a penny. Rather than needing money, he issued stock in the new concern in payment for the old independent mills, and after all was done proceeded to almost double his stock! In other words, instead of needing money, he acquired a vast sum in the transaction. One who is familiar with the way the railroads have been built and the vast fortunes erected understands that there was almost no investment. It all came through a series of tricks. Those tricks, as honest in the reversal as when the capitalist played them, can be reversed. Hardly a corporation but has forfeited its charter. With the charter cancelled stocks would tumble and the water would speedily go. Socialists are not fools that they should merely fall into the hands of men who think that they can unload on them in such a manner as to saddle a perpetual debt on the people. If the steel trust, after organizing and buying up smaller concerns, could still issue vast series of stocks and bonds, why could not the Socialists issue all the money they needed to accomplish the same things? And would not the money based on lands and mills be as good security as the money we now have based on nothing under the sun but inflated railroad and trust stocks [securities]?"

Undoubtedly some such method will be followed — with those essential industries that will not already have become collective property under capitalism.

In so far as "State Socialism" or collectivist capitalism will have paved the way, by extensive government own-

ership, the problem of confiscation or compensation becomes much simplified. Kautsky has very ably summarized the prevailing Socialist plan for dealing with it at this point:—

"As soon as all capitalist wealth had taken the form of (government) bonds, it would be possible to raise a progressive income, property and inheritance tax, to a height which until then was impossible.

"It is one of our demands at the present time that such a tax shall be substituted for all others, especially for the indirect tax.

"But even if we had to-day the power to carry through such a measure with the support of the other parties, which is plainly impossible, because no bourgeois party would go so far, we would at once find ourselves in the presence of great difficulties.

"It is a well-known fact that the higher the tax the greater the efforts at tax dodging.

"But when a condition exists where any concealment of income and property is impossible, even then we would not be in a position to force the income and property tax as high as we wish, because the capitalists, if the tax on their income or property pressed them too closely, would simply leave the State.

"Above a certain measure such taxes cannot rise to-day even if we had the political power.

"*The situation is completely changed, however, when capitalist property takes the form of public debts.*

"The property to-day that is so hard to find then lies in broad day-light.

"It would then only be necessary to declare that all bonds must be public, and it would be known exactly what was the value of every property and every capitalist income.

"*The tax would then be raised as high as desired* without the possibility of tax frauds.

"It would then also be impossible to escape taxation by emigration, for the tax could simply be taken from the interest before it was paid out. [A similar tax exists in France to-day.]

"*If necessary it might be put so high as to be equivalent, or nearly so, to a confiscation of the great properties.*

"It might be well to ask what is the advantage of this round-about way of confiscation over that of taking the direct road?

"The difference between the two methods is not so trifling as at first appears.

"Direct confiscation of all capitalists would strike all, the small and the great, those utterly useless to labor, in the same manner.

"It is difficult, often impossible, in this method to separate the large possession from the small, when these are united in the form of money capital in the same undertaking.

"Direct confiscation would complete this quickly, often at one stroke, while *confiscation through taxation permits the disappearance*

of capitalists' property through a long-drawn-out process, proceeding in the exact degree in which the new order is established and its benevolent influence made perceptible.

"Confiscation in this way loses its harshness and becomes more acceptable and less painful.

"The more peaceable the conquest of political power by the proletariat, and the more firmly organized and enlightened it is, the more we can expect that the primitive forms of confiscation will be softened." (My italics.) (4)

Nor are any of the more influential Socialists anxious to make a clean sweep of private enterprise in industry. It is only the more important and fundamental industries, those which underlie all the processes of manufacturing, or furnish the sheer necessities of the people, that must necessarily be directly controlled by a Socialist society. "It may be granted," says Kautsky, "that small establishments will have a definite position in the future in many branches of industry that produce directly for human consumption, for machines manufacture essentially only products in bulk, while many purchasers desire that their personal taste shall be considered. It is easily possible that under a proletarian régime the number of small businesses may increase as the well-being of the masses increases." Of such industries Kautsky says that they can produce for private customers or even for the open market. As to-day, he insists, so also in the future, it will be open to the working people to employ themselves either in public or private industry.

"A seamstress, for example," he says, "can occupy herself for a time in a national factory, and at another time make dresses for private customers at home, then again she can sew for another customer in her own house, and finally she may, with a few comrades, unite in a coöperative for the manufacture of clothing for sale.

"The most manifold forms of property in the means of production — national, municipal, coöperatives of consumption and production and private industry can exist beside each other in a Socialist society — the most diverse forms of industrial organization, bureaucratic, trades union, coöperative and individual; the most diverse forms of remunerative labor, fixed wages, time wages, piece wages, profit sharing in the economies in raw material, machinery, etc., profit sharing in the results of intensive labor; the most diverse forms of distribution of products, like contract by purchase from the warehouses of the State, from municipalities, from coöperatives of production, from producers themselves, etc., etc. *The same manifold*

character of economic mechanism that exists to-day is possible in a Socialistic society. Only the hunting and the hunted, the struggling and the resisting, the annihilating and being annihilated of the present competitive struggle are excluded, and therewith the contrast between exploiter and exploited." (Italics mine.) (5)

Equally important, or more important, than private co-operative industries in the Socialist State, it is expected, will be the increase of private *organizations of other kinds*, especially in the fields of publications, education, etc., by what Kautsky calls free associations, which will serve art and science and public life and advance production in these spheres in the most diverse ways, or undertake it directly, as the associations which to-day bring out plays, publish newspapers, purchase artistic works, publish writings, fit out scientific expeditions. *He expects such private organizations to play an even more important rôle than the government*, for "it is their destiny to enter into the place now occupied by capital and individual production and *to organize and to lead mankind as a social being.*" (6) (Italics mine.)

"The utmost restriction of private property under Socialism," Mrs. Gilman says, "leaves us still every article of personal use and pleasure. One may still 'own' land by paying the government for it as now; with such taxation, however, as would make it very expensive to own too much! One may own one's house and all that is in it: one's clothes and tools and decorations; one's horses, carriages and automobiles; one's flying machines — presently. All 'personal property' remains in our personal hands.

"But no man or group of men could own the country's coal and decide how much the public can have, and what we must pay for it. Private holding of public property would be abolished." (7)

It can never be too often repeated or too strongly emphasized that, with some unfortunate exceptions, from the time of Marx to the present, Socialists have opposed not private property, but capitalism. It is the domination of society by the capitalists, *i.e.* "capitalism" or the capitalist system, that is to be done away with.

"The distinguishing feature of Communism," wrote Marx, using this word instead of Socialism, "is not the abolition of property generally, but the abolition of capitalist property. But modern capitalist property is the final and most complete expression of that system of producing and appropriating products that is based on class antagonism, on the expropriation of the many by the few." (8)

In seeking the better organization of industry and leaving the most perfect freedom to individuals and to private organizations, what the Socialists are really aiming at is really to restrict the government to *a government of things rather than to a government of men;* and this phrase is in common use among them. It is sought not to increase the power of higher officials over government employees and citizens, but, on the contrary, to limit their powers to the necessities of industry itself, and to leave the most perfect and complete freedom to the individual *in every other sphere,* as well as in industry, so far as the physical conditions themselves allow. There is no doubt, for instance, that whole departments of restrictive legislation directed against individual liberty would at once be repealed by any Socialist government (though not by a government of so-called "State Socialists").

Perhaps the idea is best expressed by the Belgian Socialist, Vandervelde: —

"The capitalist State has as an end the government of men; it needs centralized power, ministers ready to employ force, functionaries blindly obeying the least sign. Enlarge its domain [*i.e.* institute 'State Socialism.' — W.] and you will create a vast barracks, you will institute a republic of scoundrels.

"The Socialist State, on the contrary, will have for its end an administration of things; it will need a decentralized organization, practical men of science, industrial forces over which spontaneity and initiative will be required above every other quality." (9)

Surely such a State does not resemble in any way the paternalistic, bureaucratic capitalism or "State Socialism" towards which we are at present tending.

"It is quite as possible," says Mr. Spargo, "for a government to exploit the workers in the interests of a privileged class as it is for private individuals, or quasi-private corporations, to do so. Germany with her State-owned railroads, or Austria-Hungary and Russia with their great government monopolies, are not more Socialistic, but less so than the United States, where these things are owned by individuals or corporations. The United States is nearer Socialism for the reason that its political institutions have developed farther towards pure democracy than those of the other countries named. . . . The real *motif* of Socialism is not merely to change the form of industrial organization and ownership, but to eliminate exploitation. . . . Every abuse of capitalism calls forth a fresh installment of legislation restrictive of personal liberty, with an army of prying officials. Legislators keep busy making laws, judges keep busy in-

terpreting and enforcing them, and a swarm of petty officials are kept busy attending to this intricate machine of popular government. In sober truth, it must be said that capitalism has created, and could not exist without, the very bureaucracy it charges Socialism with attempting to foist upon the nation." (10)

The Socialists are as far from proposing anything resembling a system of mechanical and absolute equality as they are from attacking personal or industrial liberty. Ninety-nine and one half per cent of the product of the men of the different social classes, says Edward Bellamy, "is due in every case to advantages afforded by modern civilization." (11) So that if one man is twice as capable as another, it merely raises the proportion of the product due to his personal efforts from one half of one per cent to one per cent. International Socialism realizes with Bellamy that the product is social in far greater proportion than is at present recognized, but it does not deny that there are cases in which the contribution of the individual is more important even than everything that can be attributed to his social advantages. It does not propose, therefore, to level incomes. It is true that this communist principle of Bellamy's has a wide practical application both in the Socialist scheme of things and in present-day society, as, for example, in free schools and parks, and in the "State Socialist" program. But the extension of such communism, the distribution of services to the general public without charge, is due to-day, not to any acceptance of the general principle, but to the fact that it is inconvenient or impossible to attempt to distribute the cost of many services among individuals in proportion as they take advantage of them.

Kautsky expresses the prevailing Socialist view when he says that the *principle* of equality, if distinguished from mere *artificial leveling*, will play a certain rôle in a Socialist society. Without any definite legislation in that direction the natural economic forces of such a society will tend to raise low wages, and at the same time, by the increase of competition for higher positions, to lower somewhat the highest salaries. For if Socialists are opposed to any kind of artificial equality or leveling, they are still more opposed to artificial inequality, and all the initial advantages that arise out of the possession of wealth or privileges in education will be done away with. (12)

On the supposition that Socialism proposes a communistic leveling of income, it has been stated very often by Socialists

that it would be necessary to abolish wages, but there is no authority for this either from Karl Marx or from any of his most prominent successors. It is "wage slavery" or "the wage system" that is to be abolished. In his letter on the Gotha Program written in 1875 Marx said that there will be applied to wages "the principle which at present governs the exchange or merchandise to that degree in which identical values are being exchanged"; that is to say, supply and demand, when it operates *freely*, will give us a standard also in a Socialist system. There will be no starvation wages, no inflated salaries, no "rent" of educational advantages, no unearned income and no monopoly prices, but automatically adjustable prices and wages will continue. In 1896 Jules Guesde, perhaps the best known disciple of Marx in France, expressed nearly the same idea in the Chamber of Deputies — "The play of supply and demand," he said, "will have sufficed to determine without any arbitrary or violent act, that problem of distribution which had seemed insoluble to you before."

Here again we see that Socialism, in its aversion to all artificial systems and every restriction of personal liberty is far more akin to the individualism of Herbert Spencer than it is to the "State Socialism" of Plato. Socialists expect their children to be far wiser and more fortunate than themselves, and do not intend to attempt to decide anything for them that can well be left undecided. They intend only that these children shall have the freedom and power necessary to direct society as they think best. The few principles I have mentioned are perhaps the most important of those they believe to be the irreducible minimum needed to insure this result.

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